

# PHARE/Realty Transfer Tax (Act 58) Request for Proposals (RFP) Webinar

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Presented by  
Bryce Maretzki

November 16, 2016



# PHARE/RTT Facts

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- PHARE (Act 105) signed November 2010.
- HB 792 signed in November, 2015, creating Act 58 of 2015
  - Provides a portion of Realty Transfer Tax (RTT) revenue to PHARE.
- Funds allocated under Act 58 to assist with the creation, rehabilitation and support of affordable housing throughout the Commonwealth.
- PHARE/RTT expands PHARE to all 67 counties of the PA.



# PHARE/RTT Calculation

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\$447.5M Baseline (FY 2014)

40% of increase to PHARE

\$25.0M Cap to PHARE

- PHARE/RTT funds equal to the lesser of 40% of the difference between the total dollar amount of RTT collected for the prior fiscal year and the total amount of RTT estimated for the fiscal year beginning July 1, 2014
- **PHARE/RTT total for 2016 is \$12.67 million**

# PHARE Facts

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- At least 30% of the funds for households **BELOW** 50% of median area income.
- No funds may be used for individuals/families above 200% area median income.
- Refer to PHARE Plan for Principles and Objectives of funds.
  - [http://www.phfa.org/forms/phare\\_plan\\_rtt/2016 PHARE RT T Final Plan.pdf](http://www.phfa.org/forms/phare_plan_rtt/2016_PHARE_RT_T_Final_Plan.pdf)
- Annual reporting due to legislature on program impact.



# RFP Requirements

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- Due January 13, 2017 by 2pm.
- **Eligible Applicants:**
  - Units of local government (counties, cities, boroughs, townships, town and home rule municipalities)
  - Redevelopment and/or housing authorities
  - Nonprofit organizations
    - Economic and community development organizations, housing corporations, etc.
  - For-profit housing/community development/real estate corporations
  - Business, downtown and neighborhood improvement districts



# RFP Requirements

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- Each application must adhere to AMI guidelines:
  - At least **30%** of the funds to assist households **BELOW** 50% of median area income.
  - Funds may not benefit households above 200% of same.
- No more than 5% of project award can be used for administrative costs.



# RFP Requirements

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- One (1) hard copy in 3-ring binders and one (1) complete electronic copy (CD) to Clay Lambert.
- Required semi-annual reports to PHFA to allow compliance with PHARE reporting.
- Recommended approvals - April 2017.
- Questions must be submitted in writing to Bryce Maretzki ([bmaretzki@phfa.org](mailto:bmaretzki@phfa.org)).



# Application/RFP Overview

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- Goals
- Required Components
  - Narrative
  - Financial Plan
  - Partnership
  - Timeline
  - Comprehensive Plan (Development v. Programmatic)
  - Overview
  - Use of Funds
  - Other Reporting



# Goals

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- Increase safe, affordable housing opportunities.
- Utilize funds to address the most significant and persistent housing needs in the most effective and efficient manner.
- Comprehensive approaches to achieve measurable impact within a community's overall strategic plans.
- Target strategic locations which have experienced significant divestment of resources.
- Maximize the leveraging of resources.
- Foster sustainable partnerships to address housing needs over a significant period of time.



# Goals

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- Rapid implementation for programs/projects that have all funds committed
- Ensure resources are used both efficiently and effectively to reduce homelessness among vulnerable populations.
  - Veterans, the re-entry population, persons with disabilities, elderly, families and youth
- Provide transparency to all stakeholders within the application, allocation and reporting process.
- Provide safe, affordable housing opportunities among a range of income levels.



# Narrative

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- Summary of Proposal – short!
- Need and impact
- Local housing market data
- How will need be addressed?
- Use of funds
- Anticipated impact/outcomes



# Financial Plan

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- Detailed project/program financials
- Source of matching/leveraged funds
- Status of all funding
- Letters of commitment from funding sources



# Partnership

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- Provide documents showing how the funds will be used in coordination with local organizations as part of a larger community housing strategy.
- Role/responsibility of each partner.



# Timeline

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- Timeline for utilization of funds.
- Prepared to commence within one year of application.



# Comprehensive Plan

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- **Development Projects (For-Sale and Rental)**
  - Site control documentation
  - Evidence of zoning conformance, land use plans
  - Map of site and surrounding area
  - Appraisal (if available)
  - Development budget
  - Marketing plan and proposed rents/purchase price affordability
  - Market study (if available)



# Comprehensive Plan

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- **Housing/Supportive Service Program**
  - Description of program
  - Name of agency/organization leading as well as experience
  - Geography of program area
  - Income group(s) targeted
  - Program budget as approved by administering organization
  - How funding will be allocated



# Overview

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- RFP attached “Fact Sheet” (Appendix A or Appendix B)  
Contains very short summary of project
  1. Name (project and county/municipality)
  2. Applicant Name
  3. Applicant Type
  4. Amount Requested
  5. Total Project Cost
  6. Population Served
  7. Unit Breakdown
  8. Rent/Purchase Price
  9. Address of Units/Program
  10. Contact Information



# Website Links

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- **PHFA Website**

[www.phfa.org](http://www.phfa.org)

- **Request for Proposals**

[http://www.phfa.org/forms/phare\\_plan\\_rtt/2016 PHARE RTT RFP Final.pdf](http://www.phfa.org/forms/phare_plan_rtt/2016_PHARE_RTT_RFP_Final.pdf)

- **Frequently Asked Questions**

[http://www.phfa.org/forms/phare\\_plan\\_rtt/FAQs.pdf](http://www.phfa.org/forms/phare_plan_rtt/FAQs.pdf)



# PHFA Contact Information

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- Clay Lambert

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