2023 PHARE REQUEST FOR PROPOSALS

TRAINING WEBINAR

Clay Lambert, PHARE Program Administrator
PHARE Facts

- PHARE (Act 105) signed in 2010

- Two funding Sources connected to this RFP
  - Marcellus Shale Impact Fee (PHARE/Marcellus Shale)
  - Realty Transfer Tax Fund (PHARE/RTT)

- Approved Annual Plan
  - Approved in February 2023

- Annual report on program provided to legislature, Governor’s Office.
Goals & Priorities

- Increase safe, affordable housing opportunities.
  - Rehabilitation/re-use of abandoned, at-risk housing.
  - Owner-occupied rehab & homebuyer/rental assistance.
  - Homeless prevention/rapid re-housing for vulnerable populations.

- Strengthen existing housing stock and addressing long term affordability.

- Develop strategic approaches to address housing needs and impact within an overall community plan.

- Focus on strategic locations.
  - Target communities which have experienced significant divestment.
    - Areas which may face loss of affordable housing due to gentrification, or areas in need of greater economic diversification.
Goals & Priorities

- Maximize the leveraging of resources to address significant and persistent housing needs.

- Foster sustainable partnerships that will be committed to addressing housing needs.

- Provide safe, affordable housing to those within a range of incomes.
  - Funds allowable to benefit individuals up to 200% AMI.

- Establish a transparent application, allocation, and reporting process.
Marcellus Shale Fund

- Act 13 of 2012 (Marcellus Shale Impact Fee).
  - Eligible Counties listed on Exhibit A of the RFP

- Total awarded - $75.3 Million since 2012.
  - 427 awards funded

- Funds may only be awarded to the County
  - Orgs must have county authorization to apply for MS funds.

- At least 50% for Fifth, Sixth, Seventh and Eighth class counties.

- $7.1 million available for funding in 2023/24.
Marcellus Shale Fund

2023 Eligible Counties (32)

- Allegheny
- Armstrong
- Beaver
- Blair
- Bradford
- Butler
- Cameron
- Centre
- Clarion
- Clearfield
- Clinton
- Crawford
- Elk
- Fayette
- Forest
- Greene
- Huntingdon
- Indiana
- Jefferson
- Lawrence
- Lycoming
- McKean
- Mercer
- Potter
- Somerset
- Sullivan
- Susquehanna
- Tioga
- Venango
- Washington
- Westmoreland
- Wyoming
Realty Transfer Tax Fund (RTT)

- **Act 58 of 2015**
  - Portion of Realty Transfer Tax (RTT) revenue increase from 2014/15 budget goes into PHARE.

- **Total awarded to date:** $213.9 million since 2016.
  - 1,020 awarded to date

- **$60 million available for funding in 2023/24.**

- **Who is eligible to apply for RTT funding?**
  - Local government agencies, nonprofits,
  - Redevelopment/housing authorities, economic/community development agencies.
  - Business/neighborhood/downtown improvement districts
  - For-profit community development agencies
Funding Sources At A Glance

**Marcellus Shale**
- Available in 32 Counties located within the Marcellus Shale region.
- Only County government entities or a “designated organizations” are eligible.
- Anticipated $7.1 million.
- Average 2023 award - $160,000

**Realty Transfer Tax**
- Available in all 67 Counties in Pennsylvania.
- Eligible applicant include non-profits, For-profits, CDCs, developers, Improvements districts, etc.
- Anticipated $60 million.
- Average 2023 award - $204,000

- Funds will be awarded in the Summer of 2024.
- All awarded projects are required to submit semi-annual reports to PHFA for compliance.
Funding Priorities

PHARE
Pennsylvania Housing Affordability & Rehabilitation Enhancement Fund
PHARE Funding Priorities

- The agency will prioritize funding for proposals targeting certain affordable housing initiatives.
  - Applicants will be asked to identify which priority best describes the proposal’s end goals and objectives.

- Proposals that address multiple priorities must select the activity that will be impacted by the majority of the requested PHARE funds.
  - Ex: If housing units are being rehabilitated to be used for rapid re-housing, the applicant should choose Homelessness Prevention as the appropriate category.
PHARE Funding Priorities

1. 4% RTT Tax Credit Projects
   - Developments applying for 4% tax credits for large-scale preservation to increase the availability of affordable housing to low and extremely low-income households.
   - Limit of two applications per developer.
   - Maximum request of $1,000,000.

   - **Health for Housing Investment**
     - Project must include capital investment from health care partner in form a grant/loan, or contribution of land.
     - Maximum request increased to $1,500,000.
PHARE Funding Priorities

2. Preservation/Rehabilitation/Renewal
   - Rehabilitation of existing housing stock including owner-occupied rehab.
   - Demolition of blighted, abandoned or otherwise at-risk housing.
   - Reclaiming or renewal of brownfields or vacant land where housing was once located for community green space.

3. Rental Housing Creation
   - Development of new and affordable rental units.
     - May include acquisition, pre-development costs, construction and/or significant rehabilitation, and demolition where the development of affordable housing is the end goal.
4. Homelessness Prevention

- Address ongoing needs for individuals and families at risk for homelessness.
  - Rapid re-housing, rent/utility/transportation assistance, landlord outreach, case management, and short-term emergency shelter care.

- Increase the availability of integrated housing opportunities, supportive services, and resources for vulnerable populations such as veterans, the re-entry population, person dealing with addiction disorder(s), disabled persons, and at-risk youth.
5. Innovative Housing Solutions
   - Piloting unique and creative approaches to addressing unmet housing needs and historic disparities in housing.
   - Solutions could be connected to eviction diversion, legal housing assistance, landlord/tenant mediation, at-risk housing.

6. Homeownership
   - Development of additional affordable for-sale housing units, including costs for pre-development, construction, and/or significant rehabilitation.
   - Programming and homeownership down payment and closing cost assistance for first-time homebuyers and vulnerable/underrepresented communities.
7. Housing Counseling and Financial Education

- Activities providing various types of housing counseling, including pre and post purchase, financial education, foreclosure prevention, and other forms of direct client counseling to assist homeowners or renters.

8. Health for Housing Investments

- New construction or housing rehab projects that include a capital investment from a health care organization.
  - Organizations may include insurance companies, hospital partners, and health care payers such as Medicaid care orgs.
Proposal Requirements

Pennsylvania Housing
Affordability & Rehabilitation
Enhancement Fund
Proposal Requirements

- RFP opened **September 11**\textsuperscript{th}.
- Application website opened **September 18**.
- Applications due by **2pm on November 17**\textsuperscript{th}.
- Each application must provide at least 30% of the awarded PHARE funds to assist households **below** 50% AMI.
- Funds may NOT be used to benefit households with incomes above two hundred percent (200%) of the County’s MAI.
- No more than 5% of project award can be used for administrative costs.
Proposal Requirements

The following items must be uploaded to the ‘Documents’ section of the PHARE Submissions Website:

**Narrative**
- Concise (one to two page) summary description of the overall scope of the proposal.
- Key features and goals of the proposal should be addressed.

**Comprehensive Plan**
- Required documents based on proposal type.
  - Site control, drawings, site maps for construction projects.
  - Delineation of targeted households or income groups.
  - Geographic scope of program impact for housing related services.
- Specific documents, based on application type, are listed in the RFP.
Proposal Requirements

The following items must be uploaded to the ‘Documents’ section of the PHARE Submissions Website:

**Impact on Inequalities and Disparities**
- Applicants must select a community to be impacted by grant funds.
- Narrative including the applicant’s strategy for addressing local housing disparities.

**Budget**
- List of sources of matching and/or leveraged funds.
- Status/timeline of potential funding.

**Timeline**
- Anticipated milestones for grant implementation and completion.
Proposal Requirements

The following items must be uploaded to the ‘Documents’ section of the PHARE Submissions Website:

**Use of PHARE Funds**
- Statement verifying that administrative funds usage will be capped at 5%.
  - Administrative funds are overhead expenses not directly linked to assisting households.

**Letters of Support**
- Support documents from local community leaders/organizations.

**County Authorization Documentation**
- Required for PHARE/Marcellus Shale proposals only.
Proposal Requirements

- PHARE/RTT applicants are permitted to submit no more than three (3) proposals.

- 9% Low-Income Housing Tax Credit developments are not eligible to apply for PHARE through this RFP.
  - Will be accepted separately in coordination with the application for tax credits.

- Award recommendations will be announced in June/July 2024.
4% Tax Credit Developments

- Applicants must complete the **Funding Information, Unit Information, Property Address, and Contact Information** sections of the PHARE Submissions Website.

- 4% applicants only need to submit the following items in the ‘Documents’ section of the website:
  - **Proposal Narrative** – summary of the overall scope of the proposal
  - **Budget** – A list of committed sources and uses for all matching and/or leveraged funds
  - **Impact on Inequalities and Disparities** – Impact addressing historical disparities and inequities in housing.
Monitoring and Reporting

PHARE
Pennsylvania Housing Affordability & Rehabilitation Enhancement Fund
PHARE Reporting

- Grant funds will be paid out to awardees next Summer after all contract documents are executed and returned.

- Grantees will be required to submit a Certificate of Subsistence/Good Standing.
  - Verifies organization’s existence with the Secretary of the Commonwealth.

- Grantees must monitor the use of all funds and connect its impact to assist households.

- Grantees submit semi-annual reports until all awarded PHARE Funds are expended.
  - Reports due every January 31st and July 31st until all funds are expended.
  - First report for new grantees will be due January 31, 2024.

- Grantees with multiple PHARE awards must track and report on the use of funds separately, for each grant year.
  - Separate reports must be submitted, for each grant, for each year awarded.
All awarded PHARE grantees must track and report on the following impacts/outcomes:

- Amount of PHARE funds expended.
- Number of households served/impacted.
- Amount and percentage of funds used to benefit households below 50% of median area income.
- Household size of each individual households assisted.
- Household income of each individual households assisted.
- Amount of funding used to assist each individual household.
- Amount of administrative costs expended - capped at 5%.
- Source and amount of all matching/leveraged funds.
- Impact of funds used to address barriers to fair housing or disparities.
PHARE Reporting

- PHARE grant terms are **18 months** from the date contract documents are executed.
- Grantees are required to submit a final Close-out report upon final expenditure of all PHARE funds.
  - Due within 30 days of final expenditure of grant funds.
- Grantees must adhere to PHARE reporting guidelines and their proposal timeline as much as possible.
  - Additional grant awards will not be considered from grantees out of compliance with reporting deadlines.
- PHFA will monitor the status of all current grantees before additional funds are awarded.
PHARE Website

https://phare.phfa.org
All PHARE applicants must create an account on the PHARE Submission Website if an account doesn’t already exist.
Organizations may submit multiple proposals within the same account.

Applications may be modified until ultimately submitted to PHFA.
Organizations must select the type of proposal they are seeking to fund.

- New Construction and/or Project Rehabilitation.
- Housing-Related Programs and Services.
- New Construction/Rehabilitation and Housing-Related Programs and Services.

NOTE: PHARE proposals are not successfully completed/submitted to PHFA until all the necessary documents have been uploaded and you complete the process by clicking the “Submit Application to PHFA” button in the Review and Submit section of this site. All PHARE proposals must be submitted to PHFA by 2PM on Friday, November 18, 2022.
All proposals must complete the Funding Information, Contact Information, and Documents sections.

Construction/rehab proposals must also complete Unit Information and Property Address(es) sections.
All proposals must select a Funding Priority.

Proposals that address multiple priorities should select the activity that will be most impacted by funding.
Applicants must indicate the location/geographic scope of the project or program.

- Enter zip code(s) if the housing program is not being offered countywide.

- Single County – this proposal will be implemented within a single PA County.
- Dual County - this proposal will be implemented within no more than two PA Counties.
- Multiple Counties – This proposal will have a regional impact and will be implemented in between three and forty PA Counties.
- Statewide – This proposal will have a regional impact and will be implemented more than 40 PA Counties.

Please list all counties the project and/or program/services locations reside in

- Adams

ADD
Proposals should include contact information for any partners that may need to be contacted regarding the application.

- County, Nonprofit, Developer, Legal, Local contacts may all be included.

Organizations must submit a **Signatory Authority Contact** who will be responsible for completing and submitting all contract documents.
Website will provide errors for required information that’s required.

PHARE proposals may be edited until they are submitted to PHFA.

THE FOLLOWING ERRORS MUST BE FIXED BEFORE SUBMITTING:

- Please provide a project name in the FUNDING INFORMATION SECTION
- Please select at least one type for The Project/Development is (check all that apply): in the FUNDING INFORMATION SECTION
- Please select a funding priority in the FUNDING INFORMATION SECTION

Proposals must be submitted (by deadline) and will not be reviewed unless submitted using the “Submit Application to PHFA” button.
Contact Information

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❖ Please email if you run into any issues with the PHARE Submission website.
Questions?

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Thank you for your time and attention.