pennsylvania
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

FIFTH YEAR OF THE 2014 – 2018 CONSOLIDATED ACTION PLAN

2018 ACTION PLAN WITH SUBSTANTIAL AMENDMENT I

May 8, 2020

Sunbury, Pennsylvania

Commonwealth of Pennsylvania | Tom Wolf, Governor
PA Department of Community & Economic Development | Dennis M. Davin, Secretary | **dced.pa.gov**

Substantial Amendment (SA) – 5-8-2020

Due to the COVID 19 crisis in Pennsylvania and to allow more flexibility of the use of $49,613 remaining 2017 Emergency Solutions Grant funding, the proposed amendment for the 2017 Annual Action Plan is as follows:

a. Remove the DCED minimum allocation percentage for the rapid rehousing activity (40%) from each ESG grant MOD;
b. Add, in each program year, no more than 60% of the annual federal allocation may be used for Emergency Shelter activities (including operations, essential services and street outreach)
c. Remove DCED maximum of 20% of allocation for emergency shelter activities (operations, essential services, and street outreach) and remove cap of operational support as a percentage of overall operating budget;
d. Allow Balance of State (non-federal entitlement) subgrantees to request modifications to their existing contracts for these years, based on specific and locally identified needs, to any allowable ESG activity. (Revisions may not exceed HUD threshold for emergency shelter activity at 60%); and;
e. Allow federal direct-entitlement ESG grantees to request modifications to their existing contracts or seek funding in these years for either rapid rehousing activities or homeless prevention activities. Rapid rehousing must still represent at least 40% of the overall use of ESG funds for direct entitlement communities only.

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2018 Annual Action Plan for the Commonwealth of Pennsylvania (Plan) describes the federal programs of the Commonwealth that address the housing, community, homeless and economic development needs of its constituents. The Plan is intended to outline the goals, strategies and resources to be utilized in addressing those needs in the Fiscal Year of 2018 as well as related information on performance measures and outcomes to be used in realizing these goals. Each year the Commonwealth is required to submit an Annual Action Plan based on the goals of the current Consolidated Plan (2014-2018) as part of its application process to the U.S. Department of Housing and Urban Development (HUD) for the federal funding covered by this Plan.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The Commonwealth's overarching direction for its Consolidated Plan (Con Plan) and subsequent Annual Action Plans (The Plan) is outlined in the mission of DCED. The mission is applicable to the Commonwealth's efforts to provide housing, homelessness and community and economic development assistance through both federal and state resources.

"The Department of Community and Economic Development's mission is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across our commonwealth. With a keen eye toward diversity and inclusiveness, we act as advisors and advocates, providing strategic technical assistance, training, and financial resources to help our communities and industries flourish."

In order to execute this mission for housing, homeless, community and economic development programs, the Consolidated Plan established eleven goals. In pursuing these goals, the Commonwealth has also established specific priorities for the use of its HOME Investment Partnership Program (HOME) and Emergency Solutions Grant Program (ESG). Those priorities for HOME emphasize the number of affordable housing units either through construction and/or renovation of rental units or assistance in first time homebuyer's needs through use of existing housing stock. For ESG these priorities include the use of funding for Rapid Rehousing of Homeless persons and specific populations including veterans, chronically homeless, families with children, and/or Youth. The Action Plan for Federal Fiscal Year (FFY) 2018 continues allocating the state's resources toward these priorities and achieving the goals set forth in the Consolidated Plan.

Goals:

1. Improve the quality of housing stock through rehabilitation of existing single family and multi-family units.

2. Aid individuals and families with finding affordable living environments through new rental units and rental assistance.

3. Assist individuals and families in obtaining the necessary public services to improve their quality of life.

4. Provide flexibility to local government officials to meet the needs of their municipalities in preserving neighborhoods and communities by providing critical assistance for public infrastructure and community facility projects.

5. Provide the necessary assistance for local government officials to clear and demolish substandard units to rid their communities of hazards to the health and safety of its residents.

6. Provide the necessary rental assistance for persons suffering with HIV/AIDS to be able to find affordable housing.

7. Through coordination with the Continuum of Care, the state will address the housing needs of the homeless and provide necessary supportive services to help them attain stability.

8. Further fair housing and address impediments to housing choice.

9. Development opportunities to improve the economic environment of the state especially in the rural areas.

10. Assist families and individuals to become home buyers and encourage stability in local communities.

11. Build capacity of community-based organizations and local governments to meet the needs of their residents and encourage long range planning to address community needs.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

a. As its highest priority in the last year, the Commonwealth sought to promote diversity and comprehensive community development strategies of its sub-recipients. This was achieved by allowing the sub-recipients in all of the programs to determine the projects of most need for their respective municipalities. In 2018, the Commonwealth has decided to continue to set priorities in the HOME and ESG Programs, so as to have more impact on the populations they serve and address specific goals established in the Consolidated Plan.

b. The Commonwealth sought to support and assist housing and homelessness projects throughout the past year that were integral to a strategy to end homelessness and provide affordable housing to all income levels of residents in a community. Projects completed utilizing HOME, ESG, Housing Opportunities for Persons With Aids (HOPWA), National Housing Trust Fund (HTF) and Neighborhood Stabilization Program (NSP)1 program funds assisted the Commonwealth to meet these goals outlined in the Con Plan by developing a continuum of housing types and income levels for the residents of the state. The projects involved collaboration with citizens, community organizations, businesses, and government entities in attaining their housing goals. The Commonwealth has determined that there continues to be a greater need in some of the areas of housing and homelessness and has chosen to continue targeting funds to those specific areas.

c. The Commonwealth continued to emphasis its fair housing strategy by encouraging diversity of race, ethnicity, income level, gender, disability, ancestry and age status within its municipalities. DCED completed updating their Fair Housing and Equal Opportunity manual for its grantees and

conducted three training sessions statewide to educate its grantees on the laws of FHEO, as well as informing them of what is expected for compliance. From the five recommendations made in the Analysis of Impediments, DCED is working with its grantees in formulating new viable and attainable activities to eradicate the impediments to Fair Housing Choice in our non-entitlement municipalities.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

In developing the Plan, DCED continues its citizen participation process to broaden its consultation and public participation process. The process no longer uses newspapers to publicize the availability of the draft plan or public meetings; instead the state now utilizes the Internet and electronic technologies, provides online public hearings and makes the document available on DCED's website: http://dced.pa.gov. This process has been beneficial to getting the information on the Commonwealth's goals and objectives for the programs out to those whose can best use them. DCED continues to have more interaction and comments from stakeholders on the programs than in previous years.

DCED reviewed statewide and regional needs and programmatic changes with the six Regional Housing Advisory Committees (RHACs) in September/October 2017 as the beginning of the citizen review process for this plan. DCED conducted an online/conference call public hearing on October 26, 2017 for citizen comment on need and to go over the results of the 2016 CAPER. The RHAC meetings were announced in the September 23, 2017 *Pennsylvania Bulletin*. The public hearing was announced in the October 14, 2017 issue of the *Pennsylvania Bulletin*.

The information about all of public hearings, RHAC and Pennsylvania Housing Advisory Committee (PHAC) meetings, and availability of draft copies of the plan for citizen comment were included in the public notice invitations that were sent to all grantees, state Regional offices, public district libraries, statewide organizations, Continuums of Care, RHACs, PHAC, CD & H Advisory Committee, CoC Balance of State Board members, Homelessness Programs Coordination Committee, County Commissioners and interested parties. These Community Development and Housing Alerts went out on September 14, 2017 and October 4, 2017. The hearings were open to the public for discussion about the Plan. Comments were received by DCED and are reviewed in another portion of the Plan. The advertisements, comments and responses, if warranted, are attached as Appendix D.

The Pennsylvania Housing Advisory Committee (PHAC) met October 30, 2017 and June 19, 2018 and the meetings were open to the public. Invitation was sent to all grantees and interested parties and planning for the Plan was discussed. At the first meeting the 2016 CAPER was discussed and needs from the regions were provided. At the second meeting the allocations and use of the 2018 funds were discussed, along with discussions on any changes to the method of distribution for the CDBG, CDBG-DR, HOME, ESG, HOPWA, HTF, and NSP programs.

The comment period for the draft 2018 Action Plan began on May 27, 2018 and concluded on June 27, 2018. DCED published a summary of the Plan in the Pennsylvania Bulletin on May 26, 2018. The summary was also sent to all electronic contacts as listed above on May 25, 2018. A copy of the draft Plan was placed on the website for review on May 25, 2018. The final submitted copy of the plan will be placed on the website for the life of the 2014-2018 Consolidated Plan.

A second public hearing was held on June 18, 2018 to take comment on the plan during the second Citizen Comment Period. Again, notification was provided electronically to the persons on the 21 contact lists DCED maintains. There were no citizen comments received about the 2018 Plan during the citizen comment period.

It was advertised for both public hearings and in notification of availability of the draft copy of the plan`` that persons with disabilities, and organizations representing persons with disabilities, would be given accommodations in order to be involved in the citizen participation process for the Action Plan". In addition, the DCED website http://dced.pa.gov is compatible with telecommunication devices, so that any item on the website is made available to the disabled populations. Also, all plans and the CAPER are translated into Spanish for citizens who may be of Limited English Proficiency and the Department advertises that translators can be available at all public hearings if given 72 hours' notice.

SA – 5-8-2020

The 30-day public comment period for the draft Substantial Amendment for the 2017 Action Plan begins on April 5, 2020 and concludes on May 5, 2020. DCED published a summary of the SA in the *Pennsylvania Bulletin* on April 4, 2020. The summary was also sent to all electronic contacts as listed above on April 3, 2020. A copy of the full SA was placed on the website for review on April 3, 2020. The final copy of the amended plan will be placed on the website for the life of the 2014-2018 Consolidated Plan.

It was advertised that persons with disabilities, and organizations representing persons with disabilities, would be given accommodations to be involved in the citizen participation process for the Action Plan. In addition, the DCED website http://dced.pa.gov is compatible with telecommunication devices, so that any item on the website is made available to the disabled populations.

A public hearing on the Substantial Amendment will be held on April 22,2020 at 1:00 pm, virtually. As this public hearing is taking place during the COVID19 crisis and under a national emergency declaration, the hearing will only be held via Skype and/or conference call. There will be no in person attendance. This hearing was announced in the April 4, 2020 issue of the *Pennsylvania Bulletin*. The information about the SA and public hearing was included in the public notice invitations that were sent to all grantees, state Regional offices, public district libraries, statewide organizations, Continuums of Care, RHACs, PHAC, CD & H Advisory Committee, CoC Balance of State Board members, Homelessness Programs Coordination Committee, County Commissioners and interested parties. The hearing will be open to the public virtually for discussion about the substantial amendment to the Action Plan.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

RHAC meetings

Some needs that came from the RHAC meetings:

- There's a lack of Affordable units – there's Rapid rehousing funds available just no suitable units. They are either too expensive or being converted to luxury condos. Many affordable multi-units are being converted or the quality of the unit is not standard. Average rent on a good quality, bedroom unit is $930.00.
- Greater need for affordable housing for current nursing home or hospital bed patients who don't need to be in that type of facility**.** Coordination with PHFA, DCED, DHS and DOH to address these issues.
- The Weatherization Pilot program under HOME doesn't cover the entire state. Needs to be expanded as a way to reduce energy costs and help people afford their homes.
- Housing rehabilitation has come to a standstill because of the prevailing wage decision. Lost contractors. Over 100 hoes on the waiting list but no one who wants to do the renovations.
- Package for Disaster Recovery especially with housing repair and replacement. Need to move quicker to assist people with their recovery needs.
- With ESG no longer prioritizing shelter funding, where do the homeless go if there's no affordable housing available.

First Public Comment Period & Public Hearing

Public comments from the first citizen comment period – September 14, 2017 – December 8, 2017 and public hearing – December 8, 2017 on the needs of the state and where the funding should be targeted.

The comments received during the first public comment period and first public hearing included:

- The need for Housing for Seniors that also provide services.
- Emergency Rehab Program for houses that have an immediate need of a roof or furnace without having to bring the house up to code.
- Gap in housing for folks who need 24/7 services but do not need nursing care
- One organization, LeadingAge responded in writing urging the need for affordable housing for seniors who also need services.

PHAC Meeting

The first Pennsylvania Housing Advisory Committee (PHAC) meeting on the 2018 Action Plan was held October 30, 2017

Besides the comments from the RHAC meetings, the committee provided additional comments to be considered:

- Housing Searches – need funds allocated to get persons into units once they are found. Items such as security deposits, moving, utilities deposits, - "Shallow Subsidies"
- Coordination of services that are provided. Every county has different services and resources, which make it difficult for any agency or regional locator service to establish programs or locate persons where they may want to go.
- Keeping the shelters that already exist. This is critical to keep them in place and viable. There is a need for places for short stays will benefits and units are determined.

The second PHAC meeting was held June 19, 2018. The following are the comments that came from that meeting:

- Need to re-establish the pre-development loans for technical assistance in developing affordable rental units for non-profits that aren't CHDOs. Seed money is needed for these developments.
- CHDO operating funding is essential, need to lift cap for non-PJ CHDOs.
- Have high performing CHDOs provide assistance to newer, less productive CHDOs to improve their performance.
- Evaluate what works in terms of housing and promote those ideas, but also promote new ideas to get a good mixture of housing.

Second Comment Period

The second citizen comment period was held from May 27, 2018 to June 26, 2018 with the public hearing held on June 18, 2018. No comments were received during the comment period.

SA -5-8-2020 - Public comments from the hearing or written will be added after the citizen comment period and before submission to HUD on May 8, 2020.

6. Summary of comments or views not accepted and the reasons for not accepting them

All of the comments were discussed with the respective program manager to see if any changes needed to be made to the Method of Distribution after the first round of public meetings and comment period. No changes were necessitated based on these comments. The comments received during the second round of public meetings, were more procedural in nature and will be considered by the HOME staff when writing the 2018 application guidelines. So all comments and reviews were accepted and reviewed.

7. Summary

PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	PENNSYLVANIA	Department of Community & Economic Development
HOPWA Administrator	PENNSYLVANIA	Department of Health
HOME Administrator	PENNSYLVANIA	Department of Community & Economic Development
ESG Administrator	PENNSYLVANIA	Department of Community & Economic Development
National Housing Trust Fund	PENNSYLVANIA	Pennsylvania Housing Finance Agency

Table 1 – Responsible Agencies

Narrative

The Commonwealth's overarching direction for its Consolidated Plan is outlined in the mission of DCED. This is carried on in the 2018 Annual Action Plan and proposed uses for the federal funds administered by the state. The mission is applicable to the Commonwealth's efforts to provide housing, homelessness, community and economic development through both federal and state resources. The mission is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across our commonwealth, thereby enabling Pennsylvanians to achieve a superior quality of life. In order to execute this mission for housing, homeless, community and economic development programs, the Consolidated Plan for 2014-2018 establishes 11 goals. In pursuing these goals, the Commonwealth has also established priorities for the use of its resources. Those priorities emphasize targeting of activities, leveraging other resources and public investments, and promoting community changing impact. The Action Plan for FFY 2018 continues allocating the state's resources toward these priorities and achieving the goals set forth in the Consolidated Plan while allowing flexibility in the use of the various program funds to best meet the needs of the regions and local municipalities.

Consolidated Plan Public Contact Information

a. The Annual Action Plan for 2018 can be viewed and downloaded on the web at http://dced.pa.gov under the Library section on the Home page.

b. CD copies of the Action Plan can be obtained by calling: (717) 720-7404.

c. Questions and comments may be electronically submitted to DCED via the following mailbox: RA-DCEDcdbghomequestions@pa.gov.

d. Written questions or comments should be submitted to Megan L. Snyder, Center for Community and Housing Development, Department of Community and Economic Development, 400 North Street, 4th Floor, Commonwealth Keystone Building, Harrisburg, PA 17120-0225.

AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

In developing the 2018 Annual Action Plan, DCED utilized its revised citizen participation plan process by relying more on electronic notification which aided in its broad consultation and public participation process as well as proposing changes in its administration of the federal programs. The revised process continues to use the regional and statewide meetings, web-based forums, provide online public hearings, conventional notices directly to interested parties and making the document available on DCED's website at: http://dced.pa.gov . All meetings are open to the public and follow the required Sunshine Act. The Commonwealth utilized its six (6) Regional Housing Advisory Committees (RHACs) to determine the needs of their regions. The RHACs met in September/October of 2017 and analyzed the direction of programs in their areas. The RHACs are comprised of state grantees, housing officials and developers, non-profit organizations, health organization, local government officials, the Continuum of Care Chairpersons of each region and the DCED regional office directors. A summary of the meetings and recommendations are taken to the PHAC for review and coordination with the Plan. The Pennsylvania Housing Advisory Committee (PHAC) met December 8, 2017 and June 19, 2018.

The Department of Health (DOH), Bureau of Communicable Diseases, Division of HIV Disease will administer the HOPWA Program by allocating the funds on a formula basis to the seven regional HIV Grantees. Part of the Philadelphia and Pittsburgh regions receive and administer separate allocations directly from the U.S. Department of Housing and Urban Development (HUD). Additionally, the cities of Allentown, Harrisburg and Bensalem Township receive separate allocations directly from HUD; however, for the HOPWA grant year, they have requested the State of Pennsylvania to serve as the grantee and administer the funds for housing support and related services as done in previous years. DOH understands that this will be the case going forward and thus the funding is included in the overall amount for the HOPWA program. Within the South West (Pittsburgh) region, the DOH allocates funding to a regional grantee for four counties; Cambria, Greene, Indiana, and Somerset. Within the North East Region, Pike County receives funding from the New Jersey grantee. The regional grantees establish grant agreements or directly disperse funds based on the need for a full range of eligible housing services. Each grantee has prioritized needs for its respective region through a formal process reflective of demographic and epidemiological differences.

DCED also consulted with PHFA about their allocation of the National Housing Trust Fund for 2018. As nothing has changed with their Allocation Plan from that submitted to HUD for the 2016 and 2017 programs, there are no updating. PHFA did participate in the PHAC meetings and public hearings to determine if any changes needed to be made.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

The Commonwealth utilizes two groups to enhance coordination between the groups stated. The first is through the RHACs. Membership on these is approved by the Secretary of DCED and its members are chosen from the housing, homelessness, developer, community development and non-profit areas, including health organizations of the six DCED regions of the state. These groups meet at least annually to discuss issues in their respective regions and provide a forum for further discussion on specific topics

of interest. The Chairpersons of the Balance of State Continuum of Care (BoS CoC) are part of the membership to enhance the input of the needs of the homeless, as well as participating agencies of the statewide CoCs.

The PHAC's membership includes the Secretaries of the Departments of Community and Economic Development, Aging, Health and Human Services, Labor and Industry, representatives from the State House of Representatives and the State Senate, and the executive directors of Pennsylvania Housing Finance Agency (PHFA), and the Human Relations Commission, representatives from county government, for-profit housing providers, housing and redevelopment authorities, organized labor, for-profit and non-profit providers of technical assistance, and social service providers. The chairmen of the RHACs are also members and provide the regional needs to the committee at their meeting. Membership on this board is approved by the Governor.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The Commonwealth has 16 CoCs operating in the state; two (2) of these are Balance of State (BoS) covering the non-entitlement areas of the state plus some entitlements that have chosen to join the BoS rather than form their own CoC. DCED serves as the Collaborative Applicant and HMIS Lead for the BoS CoC, so the department is actively coordinating efforts with the CoCs in the needs of the homeless.

The ESG program, administered by DCED prioritizes the needs of the chronically homeless, families with children, veterans and youth in their evaluation of applications. This is a direct result of working with the CoCs in establishing these priorities.

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The CoCs have been actively involved in the development of the priorities, target populations, outcome measures, and evaluation process for the ESG program since the program's change under the Hearth Act in 2012 through their representation on the original steering committee. The CoCs were consulted on the development of a policy on residency requirements for assistance for the ESG program. Though not banning it, as much of the match funds have it as a requirement, the CoCs compromised to allow a sliding scale of points during evaluation of ESG applications to be used to prioritize those shelters and programs that have no requirement or open the beds in less than 48 hours. In addition, the CoCs were consulted about the evaluation tool DCED staff uses to rank applications for ESG. Continued consultation with the CoCs on the ESG components is expected. The CoCs are actively involved in the review of the ESG applications by DCED asking them to report on the applicants' participation in the CoC

OMB Control No: 2506-0117 (exp. 07/31/2015)

and their knowledge of the programs applied for. This review provides points in the evaluation process and prioritizes agencies that are active in the CoCs. DCED plans to expand the CoC's roles in the application process once more pressing items are in place such as program evaluation standards and performance measures.

In the area of the HMIS, all CoCs using the state's HMIS system have representatives on the HMIS advisory committee. The HMIS committee is comprised of members of the BoS CoCs, entitlement CoC, HMIS lead (DCED) and other agencies using the HMIS system, such as the US Veteran's Administration and PA Department of Human Service's PATH program. This group forms the HMIS governing board and has developed the governance charter, user policies and procedures. It is expected that the use of the HMIS system will grow over the next three years and this governing board will be essential for the smooth and secure use of the system, while meeting HUD’s ever-changing standards.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	PENNSYLVANIA HOUSING FINANCE AGENCY		
	Agency/Group/Organization Type	Housing Other government - State Regional organization Planning organization		
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis		
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Pennsylvania Housing Finance Agency serves as the co chairman of the PHAC and has membership on the Central RHAC. PHFA has provided staff time and previously produced plans and reports for the development of this plan. PHFA is the administrator of the National Housing Trust Fund and is the lead agency for the State Housing Trust Fund and Low-Income Housing Tax Credit Program as designated by PA Act 105 of 2010.		
2	**Agency/Group/Organization**	NW Regional Housing Advisory Committee		
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons	Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Other government – State	Other government - Local Regional organization Business Leaders Civic Leaders Grantee Department Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Fair Housing, Changes to Method of Distribution		

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Regional Housing Advisory Committees provide the base consultation on the needs and issues of their regions of the state. They also serve as the first group to hear of the proposed changes to the state's administration of programs and give input on how it will affect their areas. The RHAC meets prior to the draft of the Consolidated Plan and annual action plans being published. They are also given notice of all public hearings and the citizen comment periods.		
3	**Agency/Group/Organization**	Central Regional Housing Advisory Committee		
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless	Services-Health Services-Education Services-Employment Services - Victims Other government - Federal Other government - State Other government - County Other government - Local	Regional organization Planning organization Business Leaders Civic Leaders Immigrant & Refugee Services Grantee Department Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Fair Housing and Changes to Method of Distribution		
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Regional Housing Advisory Committees provide the base consultation on the needs and issues of their regions of the state. They also serve as the first group to hear of the proposed changes to the state's administration of programs and give input on how it will affect their areas. The RHAC meets prior to the draft of the Consolidated Plan and annual action plans being published. They are also given notice of all public hearings and the citizen comment		
4	**Agency/Group/Organization**	NE Regional Housing Advisory Committee		
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless	Services-Health Services-Education Services-Employment Other government - State Other government - County Other government - Local Regional organization	Planning organization Business Leaders Civic Leaders Council of Churches Grantee Department Neighborhood Organization Private Sector Banking / Financing

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	What section of the Plan was addressed by Consultation?	Fair housing and Changes to Method of Distribution		
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Regional Housing Advisory Committees provide the base consultation on the needs and issues of their regions of the state. They also serve as the first group to hear of the proposed changes to the state's administration of programs and give input on how it will affect their areas. The RHAC meets prior to the draft of the Consolidated Plan and annual action plans being published. They are also given notice of all public hearings and the citizen comment periods.		
5	**Agency/Group/Organization**	SE Regional Housing Advisory Committee		
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities	Services-Victims of Domestic Violence Services-homeless Services-Health Other government - State Other government - County Other government - Local Regional organization	Planning organization Business Leaders Civic Leaders Foundation Grantee Department Neighborhood Organization Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Changes to Method of Distribution		
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Regional Housing Advisory Committees provide the base consultation on the needs and issues of their regions of the state. They also serve as the first group to hear of the proposed changes to the state's administration of programs and give input on how it will affect their areas. The RHAC meets prior to the draft of the Consolidated Plan and annual action plans being published. They are also given notice of all public hearings and the citizen comment periods		
6	**Agency/Group/Organization**	SW Regional Housing Advisory Committee		

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless	Services-Health Services-Education Services - Victims Health Agency Other government - State Other government - County Other government - Local Regional organization	Planning organization Business Leaders Civic Leaders Minority Organization Grantee Department Neighborhood Organization Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Fair Housing and Changes to the Method of Distribution		
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Regional Housing Advisory Committees provide the base consultation on the needs and issues of their regions of the state. They also serve as the first group to hear of the proposed changes to the state's administration of programs and give input on how it will affect their areas. The RHAC meets prior to the draft of the Consolidated Plan and annual action plans being published. They are also given notice of all public hearings and the citizen comment periods		
7	**Agency/Group/Organization**	Lehigh Valley Housing Advisory Committee		
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless	Services-Health Services-Education Services - Victims Health Agency Other government - State Other government - County Other government - Local Regional organization	Planning organization Business Leaders Civic Leaders Minority Organization Grantee Department Neighborhood Organization Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Fair Housing and Changes to the Method of Distribution		

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Regional Housing Advisory Committees provide the base consultation on the needs and issues of their regions of the state. They also serve as the first group to hear of the proposed changes to the state's administration of programs and give input on how it will affect their areas. The RHAC meets prior to the draft of the Consolidated Plan and annual action plans being published. They are also given notice of all public hearings and the citizen comment periods		
8	**Agency/Group/Organization**	Pennsylvania Housing Advisory Committee		
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence	Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Other government - State Other government - County	Other government - Local Regional organization Planning organization Business Leaders Civic Leaders Community Development Financial Institution Grantee Department Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy		
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The PHAC serves as the policy organization for both housing and homelessness in the state. This group meets bi-annually to review the Consolidated Plan and Action Plan and discusses effects on housing and homelessness. The outcome of the consultation is that agencies take back the discussion of needs and policies approved and implement then in their program.		

Identify any Agency Types not consulted and provide rationale for not consulting

All agency types were consulted through the committees stated above.

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Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
5-year Strategic Plan to reduce and End Homelessness 2017-2021	Continuum of Care - Western and Eastern	These 5-year Plans aided in the developed of the program goals, method of distribution of allocation, and outcomes for the Commonwealth's ESG program.
3-year Community Development Plan	Pennsylvania Act 179 CDBG Grantees	Due to PA's required method of distribution for the majority of the CDBG funding, each grantee must include a 3-year plan of intended goals to be addressed in the next 3 years of funding. These plans were reviewed to determine the goals of the state program.
Analysis of Impediments to Fair Housing Choice	Dept. of Community & Econ Development	The AI provided five recommendations to eradicate impediments to fair housing throughout Pennsylvania. These recommendations were incorporated into the Method of Distribution especially in the HOME program.

Table 3 - Other local / regional / federal planning efforts

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The Commonwealth continued to provide citizens an opportunity to comment on the use of federal funds through meetings, public notices, electronic notifications and availability of the plan on DCED's website. In developing the Plan, DCED followed its citizen participation process which utilizes the electronic media to broaden its public participation process throughout the state. The six Regional Housing Advisory Committees met in September/October 2017. The meetings were open to the public and duly advertised. The 2016 CAPER, regional concerns and needs, update on the Fair Housing initiatives and discussion on the potential changes to the Method of Distribution of the federal programs were conducted.

The Commonwealth conducted two 30-day public comment periods. The first was from September 25, 2017 to December 8, 2017, to take citizens' needs and concerns for the consideration of the plan. The other for the citizens to review the plan before submission, was from May 27 to June 27, 2018. DCED published a summary of the Plan in the *Pennsylvania Bulletin* on May 26, 2018. Notice of these comment periods were sent to all grantees, interested parties, CoC, RHAC, PHAC, and Advisory Committee on September 28, 2017 and May 25, 2018 respectively.

DCED provided two electronic public meetings, one on December 8, 2017 to take citizen comments for planning of the document and one on June 18, 2018 to take comments on the draft Plan. The 2018 Action Plan is available on DCED's website at: http://dced.pa.gov under the Library section and was placed there on May 25th for the public review. It was announced that persons with disabilities and organizations representing persons with disabilities, would be given accommodations so they may be involved in the citizen participation process for the Action Plan. The items on DCED's website meet the requirements for Section 504, so the Plan was available to the disabled in numerous methods. To aid those residents who have Limited English Proficiency, a Spanish version of the plan was placed on the website and all public notices included a statement that translators can be provided at the public hearings if DCED is given 72-hour notice.

Citizen comments were received during the planning stage of the plan and are attached in Appendix D. Some of the highlighted comments from the RHAC meetings were about affordable housing, especially for the seniors and the disabled who are in nursing homes because they need services but not nursing care. Another comment was having the state expand its Weatherization Pilot Program, statewide. Under infrastructure concerns having transportation connecting affordable housing with family sustaining jobs. There were numerous comments around the regions about keeping ESG funding with the shelters as they are the first line of providing housing to the homeless.

One written comment was received during the planning phase and that was by LeadingAge. They continue to emphasize the need for affordable housing that include necessary services for seniors. No additional comments were received during the second citizen comment period.

There were comments provided by attendees of the Pennsylvania Housing Advisory Committee. These included providing assistance with "soft second" expenses to people moving into new, affordable housing units, developing coordinated efforts between counties with the type of services and resources that are provided homeless people to avoid any gaps, continue funding emergency shelters, and finding transportation concepts that work in the rural areas of the state. The second PHAC meeting added additional comments of the need for pre-development loans for non-profits in developing new rental opportunities and to raise the CHDO operating grant cap for the non-PJ grantees.

All comments may be found in Appendix D of the plan and are discussed in detail in section AP-05.

SA -5-8-2020

The 30-day public comment period for the draft Substantial Amendment for the 2017 Action Plan begins on April 5, 2020 and concludes on May 5, 2020. DCED published a summary of the SA in the *Pennsylvania Bulletin* on April 4, 2020. The summary was also sent to all electronic contacts as listed above on April 3, 2020. A copy of the full SA was placed on the website for review on April 3, 2020. The final copy of the amended plan will be placed on the website for the life of the 2014-2018 Consolidated Plan.

It was advertised that persons with disabilities, and organizations representing persons with disabilities, would be given accommodations to be involved in the citizen participation process for the Action Plan. In addition, the DCED website http://dced.pa.gov is compatible with telecommunication devices, so that any item on the website is made available to the disabled populations.

A public hearing on the Substantial Amendment will be held on April 22,2020 at 1:00 pm, virtually. As this public hearing is taking place during the COVID19 crisis and under a national emergency declaration, the hearing will only be held via Skype and/or conference call. There will be no in person attendance. This hearing was announced in the April 4, 2020 issue of the *Pennsylvania Bulletin*. The information about the SA and public hearing was included in the public notice invitations that were sent to all grantees, state Regional offices, public district libraries, statewide organizations, Continuums of Care, RHACs, PHAC, CD & H Advisory Committee, CoC Balance of State Board members, Homelessness Programs Coordination Committee, County Commissioners and interested parties. The hearing will be open to the public virtually for discussion about the substantial amendment to the Action Plan.

Public comments from the hearing or written will be added after the citizen comment period and before submission to HUD on May 8, 2020.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of Comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/ broad community	Web-based meetings were held in the six DCED regions as part of the RHAC meetings. Conference Call capabilities were also available.	• The need for a variety of affordable housing options, especially for those with special needs and a need for services. • Transportation problems in the rural areas into employment areas. • There's a lack of Affordable units – there's Rapid rehousing funds available just no suitable units. • Coordination of services that are provided. Every county has different services and resources, which make it difficult for any agency or regional locator service to establish programs or locate persons where they may want to go. • Administration allotment (18%) isn't enough to hire additional staff personnel. Reporting has become too burdensome.	All were accepted for consideration	

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of Comments not accepted and reasons	URL (If applicable)
2	PA Bulletin	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/ broad community	No response. This mode was used to advertise the RHAC meetings, the public hearings, and the availability of the draft for citizen comment.	None	N/A	https://www.pabulletin.com
3	Internet Outreach	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/ broad community Residents of Public and Assisted Housing	The draft 2018 Action Plan was placed on the DCED website	No comments were received either time.	N/A	http://dced.pa.gov Library section

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of Comments not accepted and reasons	URL (If applicable)
4	Public Hearing	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	Held electronically December 8, 2017 and June 18, 2018	12/8/2017 – 5 citizens present – • The need for Housing for Seniors that also provide services. • Emergency Rehab Program for houses that have an immediate need of a roof or furnace without having to bring the house up to code. • Gap in housing for folks who need 24/7 services but do not need nursing care 6/18/2018 – No persons attended.	All comments were considered	N/A
5	Electronic mailings	Minorities Persons with disabilities Non-targeted/ broad community Residents of Public and Assisted Housing	All notices of public meetings, public hearings, citizen comment period, and availability of the draft plan on the website are sent out electronically to all of interested contacts.	One organization, LeadingAge responded in writing urging the need for affordable housing for seniors who also need services. No comments were received during the second citizen comment period.	All comments were considered.	N/A

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6	Public Meeting	Agencies of the State	PHAC Meetings – October 30, 2017 And June 19, 2017	10/30/2017 – • Housing Searches – need funds allocated to get persons into units once they are found. Items such as security deposits, moving, utilities deposits, - "Shallow Subsidies" • Coordination of services that are provided. Every county has different services and resources, which make it difficult for any agency or regional locator service to establish programs or locate persons where they may want to go. • Keeping the shelters that already exist. This is critical to keep them in place and viable. There is a need for places for short stays will benefits and units are determined. 6/19/2018 – • Need to re-establish the pre-development loans for technical assistance in developing affordable rental units for non-profits that aren't CHDOs. Seed money is needed for these developments.	All comments were considered.	N/A

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of Comments not accepted and reasons	URL (If applicable)
				• CHDO operating funding is essential, need to lift cap for non-PJ CHDOs. • Have high performing CHDOs provide assistance to newer, less productive CHDOs to improve their performance. • Evaluate what works in terms of housing and promote those ideas, but also promote new ideas to get a good mixture of housing.		

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of Comments not accepted and reasons	URL (If applicable)
SA-5-8-2020						
1	PA Bulletin	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/ broad community	This mode was used to advertise the public hearing, and the availability of the draft for citizen comment.	None	N/A	
2	Internet Outreach	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/ broad community Residents of Public and Assisted Housing	The Substantial Amendment 2017 Action Plan was placed on the DCED website	To Be Completed once the citizen comment period is completed	N/A	http://dced.pa.gov

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of Comments not accepted and reasons	URL (If applicable)
3.	Public Hearing	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	Held electronically April 22, 2020	To Be Completed once the public hearing is held.	None	N/A
4.	Electronic mailings	Minorities Persons with disabilities Non-targeted/ broad community Residents of Public and Assisted Housing	All notices of public meetings, public hearings, citizen comment period, and availability of the draft plan on the website are sent out electronically to all of interested contacts.	.	None	N/A

Table 4 – Citizen Participation Outreach

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Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The Commonwealth is expecting a total of $77,732,569 of federal funding in 2018 (less Allentown HOPWA funds to NJ and excluding CDBG-DR & NSP Program Income) to be used for the needs of the communities in Pennsylvania. The CDBG, HOME, ESG and CDBG-DR funds will be used to address many different eligible needs across the state as determined by the units of local government. The CDBG funding will only be used for the non-entitled municipalities of the Commonwealth. All other funding allows for the direct entitlements to participate but generally in a specific priority or with certain restrictions. (Please refer to the Method of Distribution section to see what these are). For HOPWA all eligible uses of the program may be addressed by the regional units. The NSP Recapture program will utilize approximately $3 million in recaptured grant funds and program income to complete additional units of affordable housing that meet the original NSP regulations. The Commonwealth doesn't formally place any other resources to be used directly with these funds for projects but rather allows the local government to package their own projects which could include the use of other federal resources, state, local and private funding. To meet the required HOME match, tax credits are used through the Pennsylvania Housing Finance Agency. With ESG programs, the grantees are required to provide their own match. Many grantees use other sources of homelessness funding such as Homeless Assistance Program (HAP) and Community Services Block Grant (CSBG) or rely on local funding through donations and in-kind services.

The National Housing Trust Fund allocation will be used to support development of rental housing to benefit very low- and extremely low-income households. For 2018 PHFA expects to provide funding to rental housing properties which are also supported through federal Low-Income Housing Tax Credit program and other federal funding sources using priorities identified in the Tax Credit Allocation Plan. (Appendix E)

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $ ***	Total: $		*** Includes unallocated previous year's funds, repayment and recaptured funds yet to be allocated
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	$40,661,628	0.0	$43,289,781	$83,951,409	$0.00	2018 allocations for: PA Entitlements – 85% Competitive – 13% plus recaptured and unallocated previous grant years.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	$20,631,378	$1,225,036	$26,429,470	$48,285,884	$0.00	2018 state allocation plus $417,642 anticipated funds from Upper Darby plus PI , recaptured funds and previous grant years that have been uncommitted.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $ ***	Total: $		*** Includes unallocated previous year's funds, repayment and recaptured funds yet to be allocated
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	$3,114,895	0	$2,086,675.14	$5,201,570.14	$0.00	To provide the following housing services: Tenant Based rental assistance, Short term rent/mortgage and/or utility assistance, Permanent Housing Placement, supportive Services-Case Management
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services	$5,564,720	0	$6,061,665	$11,626,385	$0.00	2018 allocation plus $6,061,665 Extra 2017 ESG funds 2017 Grant ($6,061,665) was awarded January 1, 2018

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $ ***	Total: $		*** Includes unallocated previous year's funds, repayment and recaptured funds yet to be allocated
National Housing Trust Fund	public - federal	Acquisition Admin and Planning Multifamily rental new construction Multifamily rental rehab	$7.759,948	0	$3,023,939	$10,783,887	$0.00	2018 allocation plus the 2017 allocation that has not been contracted. $3,023,939
Other CDBG-DR	public - federal	Acquisition Admin and Planning Economic Development Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab New construction for ownership Public Improvements	0	0	$46,283,625	$46,283,625	$0.00	CDBG-DR Funding from 2012 Allocation – $17,878,317 Funding from 2013 Allocation - $28,405,308

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $ ***	Total: $		*** Includes unallocated previous year's funds, repayment and recaptured funds yet to be allocated
Other NSP Recapture	public - federal	Acquisition Admin and Planning Financial Assistance Homebuyer assistance Housing Multifamily rental new construction Multifamily rental rehab New construction for ownership	0	307,386	2,827,348	3,134,734	$0.00	Remainder of NSP1 Allocations plus recaptured program income

Table 5 - Expected Resources – Priority Table

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Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

CDBG federal funds, though not requiring a match, will be leveraged by local municipalities using Pennsylvania Infrastructure Investment Authority (PENNVEST - Federal and State), United States Department of Agriculture (USDA - Federal), Neighborhood Assistance Program tax credits (NAP - state), Keystone Communities (State), Act 137 - housing fees attached to mortgages (state), in-kind contributions, and cash donations. CDBG administrative expenses, after the first $100,000, will be matched dollar for dollar using the state's General Government Operations (GGO) funds.

HOME Match requirement of 25% will be satisfied primarily by Pennsylvania Housing Finance Agency utilizing Low Income Housing Tax Credits, Cash Non-Federal, Charges and Bond Financing to match investments of HOME dollars in communities. Units of General Local Government (UGLG) may also contribute to Pennsylvania's match requirement providing match to HOME projects using sources such as Act 137 funding - housing fees associated with the recording of deeds and mortgages at participating counties. Actual totals of the match that the UGLG utilize in any given year is recorded in the annual CAPER.

Emergency Solutions Grant (ESG) Match requirement is 100%. Pennsylvania requires grantees to match 100% of their sub-award grant amount with eligible finding sources. Grantees are using Homeless Assistance Program (HAP - State), United Way (Local), Pennsylvania Coalition Against Domestic Violence (PCADV - State), Federal Emergency Management Agency (FEMA - Federal), Human Services Development Fund (HSDV - Federal), Low Income Home Energy Assistance Program (LIHEAP - Federal), Victims of Crime Act (VOCA - Federal), Community Development Block Grant (CDBG - Federal), Pennsylvania Continuum of Care (COC - Federal), in-kind contributions and cash donations (Local). Pennsylvania's administration and data collection are matched using general government operations funds from the state. Every invoice from the grantees requires the match to be listed to be accepted and approved.

There are no matching requirements in the Pennsylvania HOPWA Program. For the 2017 HOPWA grant year, 571 households within the seven regions received HOPWA Housing assistance in Pennsylvania. The project sponsors expended a total of $2,618,544.50 in leveraged funding in conjunction with HOPWA funding; of these amounts $1,864,407.11 was leveraged for housing assistance and $754,137.39 was leveraged for supportive services and other non-direct housing costs. The leveraging of funding was primarily Ryan White PART B funding, State funding and Foundation funding. The Regional Grantees plan to use leveraged funding for the 2018 grant year and going forward.

Although the Housing Trust Fund (HTF) does not require a match, funds will be used to leverage federal Low-Income Housing Tax Credit projects in Pennsylvania to increase the number of units set aside for extremely low-income tenants in the proposal.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The state of Pennsylvania does not provide state owned land or property for use with CDBG, HOME, ESG or HOPWA federal funds. Pennsylvania units of general local government may provide locally owned land or property for projects on a grant by grant basis.

Discussion

The Pennsylvania Housing Finance Agency (PHFA) is contractually required to provide the required match for the Commonwealth's HOME match requirement. PHFA accomplishes this through predominantly the use of the Low-Income Housing Tax Credit Program for multifamily rental projects. In most years the match requirement is superseded, and the extra is banked for use in future years.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve Quality of Housing Stock	2014	2018	Affordable Housing Public Housing	HOME Non-HUD Entitlement Jurisdictions HOME PJs Pennsylvania Act 179 Formula PHFA – National Housing Trust Fund CDBG-DR	Housing Rehab Single-Unit Residential Housing Rehab Multi-Unit Residential Code Enforcement	CDBG: $6,100,000 HOME: $8,000,000 HTF: $2,695,972 CDBG-DR: TBD NSP: $3,000,000	Rental units rehabilitated: 40 Housing Units Homeowner Housing Rehabilitated: 790 Housing Unit Existing Homebuyer Units - 50
2	Construction of New Rental Units	2014	2018	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	HOME Non-HUD Entitlement Jurisdictions HOME PJs Pennsylvania Act 179 Formula PHFA- National Housing Trust Fund	Acquisition/Disposition of Real Property Clearance and Demolition Housing Construction of New Housing	HOME: $11,431,378 HTF: $8,087,915	Rental units constructed: 260 Household Housing Units Housing for Homeless added: 5 Household Housing Unit Buildings Demolished: 1 Buildings
3	Assistance for Public Infrastructure & Facilities	2014	2018	Non-Housing Community Development	Pennsylvania Act 179 Formula CDBG-DR	Acquisition/Disposition of Real Property Clearance and Demolition Public Facilities Senior Centers Public Facilities Handicapped Center Public Facilities Homeless Facilities	CDBG: $21,750,000 CDBG-DR: TBD	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 320,000 Households Assisted

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3 (continued)	Assistance for Public Infrastructure & Facilities	2014	2018	Non-Housing Community Development	Pennsylvania Act 179 Formula CDBG-DR	Public Facilities Youth Centers Public Facilities Neighborhood Facilities Public Facilities Parks, Recreational Facilities Public Facilities Parking Facilities Public Facilities Solid Waste Disposal Improvement Public Facilities Flood Drainage Improvements Public Facilities Water/Sewer Improvements Public Facilities Street Improvements Public Facilities Sidewalks Public Facilities Child Care Centers Public Facilities Tree Planting Public Facilities Fire Stations/Equipment Public Facilities Health Facilities Public Facilities for Abused & Neglected Children Public Facilities for AIDS Patients Public Facilities General Improvements		
4	Public Services for LMI Households (Non-ESG)	2014	2018	Affordable Housing Public Housing Homeless	Pennsylvania Act 179 Formula HOME Non-HUD Entitlement Jurisdictions HOME PJs	Public Services Senior Services Public Services Handicapped Services Public Services Legal Services Public Services Youth Services Public Services Transportation Systems Public Services Substance Abuse Services	CDBG: 1,500,000 HOME: $10,000	Persons assisted with various services – 3500 Tenant based rental Assistance -50

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4 (continued)	Public Services for LMI Households (Non-ESG)	2014	2018	Affordable Housing Public Housing Homeless	Pennsylvania Act 179 Formula	Public Services for Battered and Abused Persons Public Services Employment Training Public Services Crime Awareness/Prevention Public Services Tenant/Landlord Counseling Public Services Child Care Services Public Services Health Services Public Services for Abused and Neglected Children Public Services Mental Health Services Public Services Homeownership Assistance not direct Public Services Rental Housing Subsidies Public Services Housing Counseling Public Services Neighborhood Cleanups Public Services Food Banks Public Services Operating Costs of Homeless/AIDS Public Services Other		
5	Clearance and Demolition of Substandard Units	2014	2018	Non-Housing Community Development	Pennsylvania Act 179 Formula CDBG-DR	Acquisition/Disposition of Real Property Clearance and Demolition	CDBG: $500,000 CDBG-DR: TBD	Buildings Demolished: 25 Buildings

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Housing and Services for Persons with HIV/AIDS	2014	2018	Affordable Housing Non-Homeless Special Needs	HOPWA 7 Regional Grantees	Affordable Housing for Low Income HIV/AIDS clients	HOPWA: $3,114,895	HIV/AIDS Housing Operations: 607 Households are planned to receive decent affordable housing assistance.
7	Rental Assistance and Services for the Homeless	2014	2018	Affordable Housing Public Housing Homeless	PA 601 Southwest Pennsylvania Continuum of Care PA 509 Allentown/Northeast Pennsylvania Continuum of Care	Public Services Legal Services Public Services Tenant/Landlord Counseling Public Services Health Services Public Services Rental Housing Subsidies Public Services Security Deposits Public Services Housing Counseling Public Services Operating Costs of Homeless/AIDS	ESG: $5,147,366	Tenant-based rental assistance / Rapid Rehousing: 3100 Households Assisted Homeless Person Overnight Shelter: 3650 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 5 Beds Homelessness Prevention: 1500 Persons Assisted Street Outreach to 1200 persons

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Further Fair Housing and Address Impediments	2014	2018	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	HOME Non-HUD Entitlement Jurisdictions HOPWA 6 Regional Coalitions non-entitlement PA 601 Southwest Pennsylvania Continuum of Care Pennsylvania Act 179 Formula PA 509 Allentown/Northeast Pennsylvania Continuum of Care	Housing Construction of New Housing Housing Direct Homeownership Assistance Housing Rehab Single-Unit Residential Housing Rehab Multi-Unit Residential Public Services Tenant/Landlord Counseling Public Services Homeownership Assistance not direct Public Services Rental Housing Subsidies Public Services Security Deposits Public Services Housing Counseling Public Services Neighborhood Cleanups Code Enforcement Housing for Low Income HIV/AIDS clients Fair Housing Activities	CDBG: $50,000	Local Government Units/Grantees – 10 DCED will use some of this to conduct training of grantees and begin addressing some impediments to Fair Housing Choice.
9	Improve the Economic Environment	2014	2018	Non-Housing Community Development Economic Development	Pennsylvania Act 179 Formula CDBG-DR	Acquisition/Disposition of Real Property Clearance and Demolition Economic Development Rehab Commercial Industrial Economic Development Infrastructure Development Economic Development Direct Financial Assistance Public Services Employment Training Code Enforcement	CDBG: $100,000	Facade treatment/business building rehabilitation: 1 Business Jobs created/retained: 5 Jobs Businesses assisted: 1 Businesses Assisted

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
10	Assist New Homebuyers	2014	2018	Affordable Housing Non-Homeless Special Needs	HOME Non-HUD Entitlement Jurisdictions Pennsylvania Act 179 Formula	Housing Direct Homeownership Assistance Public Services Legal Services Public Services Homeownership Assistance not direct Public Services Housing Counseling	CDBG: $0.00 HOME: $600,000	Direct Financial Assistance to Homebuyers: 15 Households Assisted
11	Building Local Capacity	2014	2018	Administratio n & Planning	HOME Non-HUD Entitlement Jurisdictions HOME PJs HOPWA 6 Regional Coalitions non-entitlement PA 601 Southwest Pennsylvania Continuum of Care Pennsylvania Act 179 Formula PA 509 Allentown/Northeast Pennsylvania Continuum of Care CDBG-DR HTF	Capacity Building through Admin & Planning	CDBG: $8,100,000 HOME: $1,200,000 ESG: $417,354	Other: 126 Local Governments and Coalitions

Table 6 – Goals Summary

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Goal Descriptions

1	**Goal Name**	Improve Quality of Housing Stock
	Goal Description	Improve the quality of housing stock through rehabilitation of existing single family and multi-family units.
2	**Goal Name**	Construction of New Rental Units
	Goal Description	Aid individuals and families with finding affordable living environments through new rental units and rental assistance.
3	**Goal Name**	Assistance for Public Infrastructure & Facilities
	Goal Description	Assist individuals and families in obtaining the necessary public services to improve their quality of life.
4	**Goal Name**	Public Services for LMI Households (Non-ESG)
	Goal Description	Provide flexibility to local government officials to meet the needs of their municipalities in preserving neighborhoods and communities by providing critical assistance for public infrastructure and community facility projects.
5	**Goal Name**	Clearance and Demolition of Substandard Units
	Goal Description	Provide the necessary assistance for local government officials to clear and demolish substandard units to rid their communities of hazards to the health and safety of its residents.
6	**Goal Name**	Housing and Services for Persons with HIV/AIDS
	Goal Description	Provide the necessary assistance for low income persons suffering with HIV/AIDS to be able to find decent, affordable housing.
7	**Goal Name**	Rental Assistance and Services for the Homeless
	Goal Description	Through coordination with the Continuum of Care, the state will address the housing needs of the homeless and provide necessary supportive services to help them attain stability.

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8	**Goal Name**	Further Fair Housing and Address Impediments
	Goal Description	Further fair housing and address impediments to housing choice.
9	**Goal Name**	Improve the Economic Environment
	Goal Description	Develop economic opportunities to improve the economic environment of the state especially in the rural areas.
10	**Goal Name**	Assist New Homebuyers
	Goal Description	Assist families and individuals to become home buyers and encourage stability in local communities
11	**Goal Name**	Building Local Capacity
	Goal Description	Build capacity of community-based organizations and local governments to meet the needs of their residents and encourage planning.

Table 7 – Goal Descriptions

AP-25 Allocation Priorities – 91.320(d)

Introduction

The priorities of the Pennsylvania federal programs are based on the needs identified by the local unit of governments. Act 179 under the CDBG program entitles certain municipalities funding as long as its eligible and fundable under the CDBG program. Aside from this law, DCED does have some priorities for its competitive programs. CDBG Competitive application must show a severe need for the project, a high need in the area based on the number of people to be served and the number of LMI persons in the service area, and that the project will address and correct the problem. HOME projects must meet the priorities set forth in the Method of Distribution. Under ESG, rapid re-housing is given a priority over all other activities. If an applicant is applying for shelter rehabilitation/renovation, the following items are a priority:

- Code Deficiencies
- Increase in Bed Capacity
- Health and Safety Issues
- ADA Compliance
- Energy Conservation

The HTF will be targeted to rental housing for households at 30% AMI in accordance with federal regulations and approved for the PHFA program for LIHTC.

Funding Allocation Priorities

	Improve Quality of Housing Stock (%)	Construction of New Rental Units (%)	Assistance for Public Infrastructure & Facilities (%)	Public Services for LMI Households (Non-ESG) (%)	Clearance and Demolition of Substandard Units (%)	Housing and Services for Persons with HIV/AIDS (%)	Rental Assistance and Services for the Homeless (%)	Further Fair Housing and Address Impediments (%)	Improve the Economic Environment (%)	Assist New Homebuyers (%)	Building Local Capacity (%)	Total (%)
CDBG	16	0	54	4	3	0	0	1	1	1	20	**100**
HOME	37	53	0	1	0	0	0	0	0	3	6	**100**
HOPWA	0	0	0	0	0	100	0	0	0	0	0	**100**
ESG	0	0	0		0	0	93	0	0	0	7	**100**
HTF	25	75	0	0	0	0	0	0	0	0	0	**100**

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Other CDBG-DR	TBD	0	0	0	0	0	0	0	0	0	0	TBD
Other NSP	50	45	0	0	0	0	0	0	0	0	5	**100**

Table 8 – Funding Allocation Priorities

Reason for Allocation Priorities

For HOPWA -The Department of Health (DOH), Bureau of Communicable Diseases, Division of HIV Disease will administer the HOPWA Program by allocating the funds per the previous year's distribution which includes (a combination of the number of persons living with HIV/AIDS, service utilization data, and demonstrated need) as a baseline. The regional grantees establish Grant agreements or directly disperse funds based on the need for a full range of eligible housing services. Each regional grantee prioritizes needs for its respective region through a formal process reflective of demographic and epidemiological profiles. The regional grantees conduct a competitive procurement process and receive plans to provide HOPWA services from large organizations and smaller, grassroots faith-based and other community organizations. The City of Philadelphia, Office of Housing and Community Development Regional Grantee uses a sole source process as it would not be practical to enter into grant agreements with different agencies each year since they would not have the institutional knowledge to manage these services effectively. The following services are provided in Pennsylvania: tenant based rental assistance; short term rent, mortgage, and utility assistance; permanent housing placement and supportive services – case management. In addition, each regional grantee has the capacity to distribute patient care funds directly if it is expedient and/or more cost-effective method for delivery.

For HTF - The Commonwealth may limit beneficiaries and/or give preferences to the following segments of the extremely low-income population. The groups listed have also been identified in the 2014-2018 Consolidated Plan and Action Plan. The Commonwealth of Pennsylvania, under the HTF program, has established preferences for certain types of developments; consistent with needs identified in the Consolidated Plan needs assessment and housing market analysis as well as PHFA's QAP Tax Credit Plan. These limited beneficiaries/preferences include, housing for seniors (ages 62 and over), and supportive housing for persons who are homeless and non-homeless households that require supportive services, including those with mental, physical, sensory, or developmental disabilities; persons with substance abuse disorders; and persons diagnosed with HIV/AIDs and related diseases. Any activity funded with HTF funding must not violate non-discrimination requirements at § 93.350 and the Commonwealth must not limit or give preferences to students, who qualify for assistance. Owners of rental housing assisted with HTF funds may only limit project eligibility or give preference to a particular segment of the population if is it permitted in the written agreement for the project and is consistent with one of the limitation/preferences identified above (in accordance with § 93.303(d)(3)).

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

HOME – With the newly instituted priorities of funding, DCED will allocated HOME funds in a more consistent method with the Con Plan. Housing for special needs populations and rental units are now a top priority, which is reflected in the needs portion of the Con Plan. The applicants may choose to apply for funding that is a top priority of the Commonwealth and receive more points during evaluation, than a program that only addresses a lower priority. Though not setting specific set-asides for types of housing, DCED's HOME program will now rank those programs that best address the priorities of the state higher, thus assuring funding of projects that addresses the priority needs.

ESG – This program too is moving away from funding every type of project without setting up specific set asides. This allows flexibility of getting all of the funds allocated within the time constraints of the program while rewarding those applications that best address the needs of the Commonwealth when dealing with the homeless.

SA 5-8-2020 – Removing some of the DCED placed limitations on the allocation of these grant funds will allow for the spending of the remaining funding quickly and for agencies who may be dealing with the COVID19 crisis to utilize the funds where the current need is.

HOPWA - The immediate issues remain that clientele will continue to struggle with securing safe, sanitary, and affordable housing because of low or inadequate incomes and the limited availability of such housing. The HOPWA funding allocated to each region will help many clients prevent eviction or utility shut-off. Clients will be able to move from temporary living situations to permanent housing. All households receiving HOPWA assistance are required to participate in case management to assure, when possible, that crises are being averted. They work with their case managers to develop a Housing Plan outlining a timeframe and method for stabilizing their living situations and thus, obtaining self-sufficiency.

A formal monitoring and evaluation system has been developed to ensure quality service and appropriate levels of care. Each regional grantee is responsible for the development and maintenance of a needs assessment, prioritization of services, and to monitor project sponsors and oversee the disbursement of funds.

HTF - The Commonwealth may limit beneficiaries and/or give preferences to the following segments of the extremely low-income population. The groups listed have also been identified in the 2014-2018 Consolidated Plan and Action Plan. The Commonwealth of Pennsylvania, under the HTF program, has established preferences for certain types of developments; consistent with needs identified in the Consolidated Plan needs assessment and housing market analysis as well as PHFA's QAP Tax Credit Plan.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction

The following state agencies have the designation of "lead agency" for the state's federal resources:

Pennsylvania Department of Community and Economic Development (DCED)

- Community Development Block Grant (CDBG)
- HOME Investment Partnership (HOME)
- Emergency Solutions Grant (ESG)
- Neighborhood Stabilization Program (NSP 1 & 3)
- CDBG – Disaster Recovery (CDBG – DR)

Pennsylvania Department of Health

- Housing Opportunities for Persons with Aids (HOPWA)

Pennsylvania Housing Finance Agency

- National Housing Trust Fund (HTF)

Outcomes

In 2018, activities to be carried out through grants under the CDBG, HOME, ESG, HOPWA, NSP and HTF programs further the Commonwealth's progress toward obtaining the following goals:

Goals:

1. Improve the quality of housing stock through rehabilitation of existing single family and multi-family units.

2. Aid individuals and families with finding affordable living environments through new rental units and rental assistance.

3. Assist individuals and families in obtaining the necessary public services to improve their quality of life.

4. Provide flexibility to local government officials to meet the needs of their municipalities in preserving neighborhoods and communities by providing critical assistance for public infrastructure and community facility projects.

5. Provide the necessary assistance for local government officials to clear and demolish

substandard units to rid their communities of hazards to the health and safety of its residents.

6. Provide the necessary rental assistance for persons suffering with HIV/AIDS to be able to find affordable housing.

7. Through coordination with the Continuum of Care, the state will address the housing needs of the homeless and provide necessary supportive services to help them attain stability.

8. Further fair housing and address impediments to housing choice.

9. Develop economic opportunities to improve the economic environment of the state especially in the rural areas.

10. Assist families and individuals to become home buyers and encourage stability in local communities.

11. Build capacity of community-based organizations and local governments to meet the needs of their residents and encouraging planning.

In addition, the CDBG-DR has a goal of providing for disaster relief for unmet needs, long-term recovery and restoration of infrastructure, housing, and economic revitalization for households and communities that experienced damage through the Tropical Storm Lee and Hurricane Irene.

Distribution Methods

Table 9 - Distribution Methods by State Program

1	**State Program Name:**	Community Development Block Grant - Disaster Recovery
	Funding Sources:	CDBG-DR
	Describe the state program addressed by the Method of Distribution.	DCED has allocated funding based on need, geography, programmatic requirements and the capacity to undertake the projects or programs being requested. DCED may in certain circumstances administer specific programs or may contract with a consortium of county and local governments, non-profits or developers. Given the urgency of using CDBG-DR funding to repair or replace critical facilities, housing and infrastructure, DCED will be using all available methods to enhance the distribution of funding. DCED will allocate funds in the following categories, which may be amended as data from the needs assessment indicates:

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	Describe the state program addressed by the Method of Distribution. (con't)	•Housing including voluntary buyouts, housing repairs and elevations, new housing production, multi-family housing. •Economic Development •Infrastructure •Planning and Services More detailed information on the dollar amounts available per category and estimated outcome in each category can be found in the 2012 & 2013 Action Plans for the CDBG-DR. http://dced.pa.gov
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	This disaster recovery funding is available for eligible activities in any of the 36 counties identified under the Presidential Declaration. The 36 declared counties are: Adams, Bedford, Berks, Bradford, Bucks, Chester, Columbia, Cumberland, Dauphin, Delaware, Huntingdon, Juniata, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, Mifflin, Monroe, Montgomery, Montour, Northampton, Northumberland, Perry, Philadelphia, Pike, Schuylkill, Snyder, Sullivan, Susquehanna, Tioga, Union, Wayne, Wyoming and York. DCED is required to allot 80 percent of the allocation for the following five hardest hit counties (Bradford, Columbia, Dauphin, Luzerne and Wyoming). DCED may also contract with other state or local agencies, units of local government, non-profits or developers who have the capacity to undertake the eligible activities. Specific guidelines and criteria for each category are listed in the application kit. The link can be found below.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The Action Plans for both the PL-112-55 and PL-113-2 have been amended and approved as of May, 2018. For detailed information on the methods of distribution and projects, the approved amendments may be found at: 2012 PL-112-55 (6) – https://dced.pa.gov/download/pl-112-55-cdbg-dr-action-plan-amendment-6-5-18-2018/?wpdmdl=84153 2013 – PL-113-2 (4) - https://dced.pa.gov/download/pl-113-2-cdbg-dr-action-plan-substantial-amendment-4-5-18-2018/?wpdmdl=84155 Guidelines and Application: https://dced.pa.gov/download/cdbg-disaster-recovery-2017/?wpdmdl=76383

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable to the Community Development Block Grant - Disaster Recovery program
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable to the Community Development Block Grant - Disaster Recovery program
	Describe how resources will be allocated among funding categories.	Please refer to the Substantial Amendments to the 2012 and 2013 Action Plans for CDBG-DR. See #3 above.
	Describe threshold factors and grant size limits.	Please refer to the Substantial Amendments to the 2012 and 2013 Action Plans for CDBG-DR. See #3 above.
	What are the outcome measures expected as a result of the method of distribution?	Please refer to the Substantial Amendments to the 2012 and 2013 Action Plans for CDBG-DR. See #3 above.
2	**State Program Name:**	Community Development Block Grant Act 179 Formula
	Funding Sources:	CDBG

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	Describe the state program addressed by the Method of Distribution.	DCED is authorized to administer this program under Pennsylvania Law known as the Community Development Block Grant Entitlement Program for Non-Urban Counties and Certain Municipalities (commonly referred to as Act 179). DCED provides CDBG funding for the smaller communities and rural areas of the Commonwealth that do not receive HUD funding directly. DCED will administer the CDBG Program by allocating 85 percent of the funds through a formula established by state Act 179. Another 13 percent will be allocated through a competitive process. The balance of the funds (up to 2 percent) will be used for DCED's administrative expenses, including support for the Commonwealth's Section 108 loan initiative. DCED will apply the formulas of Act 179 to determine the exact allocations for each of the 28 entitlement cities, 122 entitlement boroughs and townships and the 50 non-urban counties. There are two eligible townships that have chosen not to take their allocation, as they have no identified eligible and fundable projects. Appendix A lists all Act 179 entitlement entities and their populations.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Due to PA Act 179, DCED may not implement priorities for its entitlement municipalities outside of the requirements of the program, but efforts are made to direct the municipalities in planning their CDBG eligible activities in the following manner: 1.To assist communities in preparing Community Development Plans designed to address significant needs of low and moderate-income people. 2.To assist communities in administering community development projects designed to address a number of significant community development needs identified in their Community Development Plans. 3.To encourage and assist communities to focus upon and address housing and community facility problems; and, 4.To pursue economic development and commercial revitalization activities through public/private investment initiatives that will result in the development and expansion of job opportunities within the Commonwealth.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The most current application guideline and toolkit can be found on http://dced.pa.gov/download/cdbg-program-guidelines/?wpdmdl=65545 or in the Federal Resource Library located at: https://dced.pa.gov/download/cdbg-program-guidelines-2017/?wpdmdl=78758

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	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable to the Community Development Block Grant Act 179 Formula program
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable to the Community Development Block Grant Act 179 Formula program
	Describe how resources will be allocated among funding categories.	All funding categories are eligible for Pennsylvania's CDBG Entitlement Program grantees. The applicants must demonstrate each project's eligibility and compliance with one of the three National Objectives of the program in the application stage of the grant process. It is the unit of local government's responsibility to plan for the needs of their communities and allocate the annual funding to those needs. Besides meeting one of the three National Objectives, applicants must also support that the proposed activities do not benefit moderate income families to the exclusion of low income families. Recaptured funds from contracts not fully spent or repayments for activities found ineligible through monitoring and that HUD allows the state to retain, will be placed in the current program year's Competitive funding. These funds will be allocated to programs that: a: Meet the Competitive program criteria b: Are ready for construction c: Can meet the respective deadline for expenditure for those funds.

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	Describe threshold factors and grant size limits.	The Department's annual allocation of CDBG funds will be sub-allocated, according to Act 179, in the following manner: 1. Administration: Act 179 and implementing regulations provide that 2 percent of the Commonwealth's CDBG allocation will be set aside for the state's administration of the program. The Commonwealth may use up to one percent of its current allocation and past allocations to implement a technical assistance component for CDBG . 2. Cities: The portion set aside for Act 179 entitlement cities is 24 percent of the Commonwealth's total allocation. In accordance with Act 179, the funds set aside for entitlement cities will be sub-allocated to each entitlement city, that is to receive a grant, in the following manner: 3. Each entitlement city to receive a grant will be allocated a minimum grant of $300,000; ** Note - As the CDBG allocation has been cut by more than 30% over the last ten years, 24% of the allocation is no longer enough to meet this threshold. Since the 2014 allocation, DCED has been taking 24% of the allocation and equally dividing it between the cities. Boroughs and Townships: The portion set aside for Act 179 entitlement boroughs, towns and townships is 38 percent of the Commonwealth's total allocation. In accordance with Act 179, the funds set aside for entitlement boroughs and townships will be sub-allocated to each borough and township that is to receive a grant in the following manner: • Each entitlement borough and township to receive a grant will be allocated a minimum grant of $50,000; And • In addition to this minimum grant each Act 179 entitlement borough and township will receive an additional amount which will be equal to the sum which is obtained by multiplying the balance of funds available to entitlement boroughs and townships after each receives its minimum grant, by a fraction, the numerator of which shall be each entitlement borough and township's population and the denominator of which shall be the total population of all entitlement boroughs and townships.

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	Describe threshold factors and grant size limits. (continued)	4. Counties: The portion set aside for Act 179 entitlement counties, for use to benefit the non-entitlement municipalities, is 38 percent of the Commonwealth's total allocation. In accordance with Act 179, the funds set aside for eligible counties will be sub-allocated to each county that is to receive a grant in the following manner: • In addition to this minimum grant, each eligible county will receive an additional amount which will be equal to the sum which is obtained by multiplying the balance of funds available to eligible counties after each receives its minimum grant, by a fraction, the numerator of which shall be each eligible county's net population (county's population minus the population of all federal and state entitlement entities within the county) and the denominator of which shall be the total net population of all eligible counties.
	What are the outcome measures expected as a result of the method of distribution?	The 2018 outcomes expected using the CDBG funding are: •Existing Homeowner Rehabilitation -220 units •Public Service (Not ESG) – 3,500 persons benefitting •Public Infrastructure & Facilities – 120,000 persons benefitting •Clearance & Demolition - 25 buildings •Businesses Assisted - 1 businesses •Jobs Created or Retained - 4 •Homebuyers Assisted - 2
3	**State Program Name:**	Community Development Block Grant Competitive
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Thirteen percent (13%) of the annual CDBG allocation will be set aside for the Pennsylvania Competitive Program for projects in borough, towns, and townships which are not eligible entitlement entities under the state CDBG program, or in eligible state entitlement entities with a population less than 10,000, for the same type of projects listed above. Eligible state entitlement entities applying for competitive funds must allocate 75% of its entitlement allocation towards the proposed project. Under the CDBG Competitive Program, eligible applicants may apply for any infrastructure or housing rehabilitation projects that are eligible under the HC&D Act and Regulations. Infrastructure projects will receive priority for this funding. DCED will consider the possibility of shifting a CDBG housing rehabilitation project over to the HOME Program for consideration depending on the demand for the CDBG Competitive Program.

	Describe the state program addressed by the Method of Distribution. (continued)	DCED will use the following priorities in selecting CDBG Competitive applications for approval. These priorities are listed in order of the weighting given for each priority: 1. Seriousness Competitive applications will be evaluated based upon the seriousness of the problem and the potential to resolve that problem. Generally, the most serious problems entail lack of potable water, severely contaminated water systems, malfunctioning on-lot systems (or lack or any wastewater treatment), and other significant risks to health and safety. Applicants must explain how the problem affects people. The Department will determine the degree of seriousness of each identified problem. Consideration will also be given to the degree that the proposed project will best resolve the identified problem. The Department will determine if the proposed project will totally resolve the problem or only part of the problem in consideration of the intended beneficiaries. 2. Critical Projects Critical projects facilitating major improvements in which a small infusion of funds will close a funding gap. 3. Slum and Blight Removal DCED will consider funding applications in support of Community Revitalization projects that are addressing blight removal that do not meet the National Objective of Low-Moderate Benefit. These applications must include a long term (3-5 year) strategy for the comprehensive revitalization of the neighborhood/community which includes blight removal. 4. Housing Rehabilitation Applications for housing rehabilitation projects will be considered as a last priority for the use of CDBG Competitive funds. Additionally, DCED may consider HOME Program application requests for CDBG Competitive funding in order to better manage its use of funds from both programs. DCED also reserves the right to use CDBG Competitive funds for Section 108 loan payments, on an interim basis, for economic development projects for the Pennsylvania Section 108 Loan Program in the event that a business borrower goes into loan default.

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Competitive applications will be evaluated based on the seriousness and resolution of the problem to be addressed. Applicants must explain how the problem affects its residents. DCED will determine the degree of seriousness of each identified problem. Consideration will also be given to the degree the proposed project will best resolve the identified problem. DCED will determine if the proposed project will totally resolve the problem or only part of the problem in consideration of the intended beneficiaries. The following criteria will be used for the evaluation. The point value shows the importance of the criteria to funding: Project Need (Maximum of 55 points) - Severity of problem, effect on residents (existing/potential), frequency environmental impact, DEP mandates, economic impact, viability. Capacity and past Performance (Maximum of 15 points) - Describe who and how this project will be administered/implemented; concerns and past performance issues. Completeness/Soundness of Proposal (Maximum 10 points) - Application addresses problem, solution, eligibility and fundability Benefit to Low-Moderate Income (Maximum 20 points) - Based on the number of persons benefitting from the project. The more persons benefiting the points awarded based on a scale. Contracts will only be for four years.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The most current application guideline and toolkit can be found on http://dced.pa.gov/download/cdbg-program-guidelines/?wpdmdl=65545 or in the Federal Resource Library located at: https://dced.pa.gov/download/cdbg-program-guidelines-2017/?wpdmdl=78758
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable to the Community Development Block Grant Competitive program

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	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable to the Community Development Block Grant Competitive program
	Describe how resources will be allocated among funding categories.	There is no set amount of funding per eligible activity under the competitive program. Determination of the amount of funding for each category will be based on the type of projects awarded grants. All applications submitted will be considered for funding but generally must have a minimum score of 50 or greater to be awarded a grant. Projects receiving the highest score will be recommended for funding first as long as resources are available. DCED reserves the right to fund all or a portion of an application to meet available resources. DCED also reserves the right to fund projects scoring less than 50 if the demand for the funds is not greater than the set-aside. These projects must be eligible and meet a national objective.
	Describe threshold factors and grant size limits.	Competitive Program is $1,000,000 maximum. This allows the Commonwealth to support larger multi-municipal projects or other projects demonstrating the need for additional funding. DCED also reserves the right to fund a project for less than the requested amount if the sources and uses of funds are duplicative. Request for administrative funds should take into consideration the type of activity and whether other entitlement funds are being used for the activity. DCED recommends that no more than 10% be allocated to administrative costs for competitive requests. DCED reserves the right to reduce the amount of administrative costs if the project is also using entitlement funding for the same project.
	What are the outcome measures expected as a result of the method of distribution?	For the 2018 CDBG Competitive allocation the outcomes will be: •Public Infrastructure – 200,000 persons benefitting
4	**State Program Name:**	Emergency Solutions Grant
	Funding Sources:	ESG

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	Describe the state program addressed by the Method of Distribution.	The Emergency Solutions Grant (ESG) is a federal funding source designated for rapid rehousing assistance, street outreach, homelessness prevention assistance, operation costs of and the rehabilitation or conversion of buildings for use as emergency shelters for the homeless, costs associated with the Homeless Management Information System (HMIS), and administration expenses. Funding to eligible entities is competitive and is not guaranteed beyond the immediate funding cycle awarded. ESG assistance is intended to rapidly move individuals and families to stability. It is not intended for long-term use or to address all the financial and supportive service needs of individuals and families. Allowable activities should be part of a comprehensive approach to stabilize individuals and families in permanent housing and end homelessness in Pennsylvania.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	DCED will prioritize the needs of Pennsylvania's homeless populations and move individuals and families from the street into a permanent housing situation. DCED will support the federal strategy outlined by the United States Interagency Council on Homelessness and prioritize applicants who request funding to address the specific homeless populations in Opening Doors: A Federal Plan to End Homelessness. Opening Doors established goals to prevent and end veteran homelessness in 2015; to end chronic homelessness in 2017; to prevent and end homelessness for families, youth, and children in 2020; and to set a path to end all types of homelessness. Applicants to DCED's Emergency Solutions Grant (ESG) program are encouraged to participate in their local Continuum of Care (CoC)'s planning to develop a systematic response to prevent homelessness. If homelessness is unpreventable, communities should plan that instances are rare, brief, and non-recurring. DCED will also prioritize the Housing First model to ending homelessness with ESG funds. Housing First is an approach to provide permanent housing immediately and with few to no preconditions, behavioral contingencies, or barriers. The outcomes of the model will align with the coordinated entry quick access to housing and services, identifying and implementing low barriers to entry or service, utilizing data to drive decisions about housing prioritization, establishing relationships with housing providers to ensure a direct referral from the coordinated entry process, standardizing application screening processes, consistent involvement in the planning process with the CoC, using mainstream systems to support the housing first approach, and ensuring staff are adequately trained to employ evidenced-based systems. Communities are expected to prioritize individuals and families with the highest needs and vulnerabilities,

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria. (con't)	work effectively to engage landlords and property owners to ensure housing availability, and to ensure programs are client-centered with all barriers removed for entering and remaining in the program. The following funding priorities have been established for the 2018 ESG allocation: Primary Priority – Rapid Rehousing Secondary Priorities – Street Outreach, Homelessness Prevention, Emergency Shelter: essential services Non-Priority – Emergency Shelter: Operations (applicants applying for operation funds may only request ESG funds equal to 25% of the total shelter operations budget) Priority Populations – Veterans, Chronically Homeless, Families with Children or Youth DCED will provide maximum support available to applicants who address these specific areas. However, no less than 40% of the state's grant will be allocated to Rapid Rehousing, excluding administration and data collection activities for the Pennsylvania Homeless Management Information System (HMIS). DCED reserves the right to modify any of the priorities as deemed necessary. Decisions to modify priorities are based on data assessments. DCED will continue to permit applicants to design diverse projects to meet their local needs. However, we require each applicant to coordinate their efforts with the local Continuum of Care, address DCED's primary priority activity, and demonstrate capacity to meet all program requirements. **SA – 5-8-2020 –** a. Remove the DCED minimum allocation percentage for the rapid rehousing activity (40%); b. Add no more than 60% of the annual federal allocation may be used for Emergency Shelter activities (including operations, essential services and street outreach) c. Remove DCED maximum of 20% of allocation for emergency shelter activities (operations, essential services, and street outreach) and remove cap of operational support as a percentage of overall operating budget; d. Allow Balance of State (non-federal entitlement) subgrantees to request modifications to their existing contracts for these years, based on specific and locally identified needs, to any allowable ESG activity. (Revisions may not exceed HUD threshold for emergency shelter activity at 60%); and; e. Allow federal direct-entitlement ESG grantees to request modifications to their existing contracts or seek funding in these years for either rapid

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rehousing activities or homeless prevention activities. Rapid rehousing must still represent at least 40% of the overall use of ESG funds for direct entitlement communities only.

Funding Targets – DCED will target the following activities:

1. **Street Outreach**

In an effort to reduce statewide homelessness, in the 2018 application DCED is targeting Street Outreach projects in the Pennsylvania Balance of State CoC counties having identified numbers of homeless individuals and families at 50 or above during the 2018 Point in Time count. Counties identified for priority targeted Street Outreach in the Eastern CoC are: Adams, Blair, Centre, Cumberland, Franklin, Lebanon, Lehigh, Lycoming, Monroe, Northampton, Perry, and Schuylkill. Counties identified for priority targeted Street Outreach in the Western CoC are: Armstrong, Butler, Fayette, Greene, Lawrence, McKean, Washington, and Westmoreland. Street Outreach initiatives may include one or more of the counties listed. All eligible activities under a Street Outreach project will be considered but the majority of funds are expected to be awarded for Outreach staff. In making funding decisions, DCED will seek to avoid duplicative efforts.

2. **Housing Locator Services**

Housing locator services focus on services or activities necessary to assist program participants in locating, obtaining and retaining suitable permanent housing and increasing housing stability and self-sufficiency. Services should include: assessment, arranging, coordinating, housing stability plan development; with an emphasis on acting as a liaison to secure and maintain housing; employment; a connection to mainstream resources and services; coordination with
other providers; monitoring of progress; and advocating on behalf of the client. Services should also focus on building a set of supports that can help prevent the recurrence of a housing crisis.

Although Emergency Shelter renovations are important, it will not receive preference to the aforementioned activities. DCED will continue to fund the most urgent needs of a shelter, and not just cosmetic improvements. Priority will be given to the following documented needs: Code Deficiencies, ADA Compliance, Health and Safety Issues, Increase in Bed Capacity, and Energy Conservation.

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria. (continued)	Applicants who design regional projects will be highly considered for funding if the project addresses a statewide need that is supported by data, is administered by an organization with capacity to fulfill all programmatic requirements, and has identified its ability to meet the match requirement Direct HUD ESG entitlement entities are eligible to compete for ESG funding but will not be given priority over the non-entitlement applicants. DCED will only fund Rapid Rehousing activities for the direct ESG entitlement entities leaving more funding flexibility for the non-entitlements.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Though not required of ESG, the guidelines and application kit may be found at: https://dced.pa.gov/download/emergency-solutions-grant-guidelines/?wpdmdl=84126
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	The Commonwealth of Pennsylvania through the Department of Community and Economic Development (DCED) will accept applications from any general-purpose units of local government, including cities, boroughs, townships, towns, counties, home rule municipalities, and communities that desire to apply on behalf of other municipalities. Non-profits may not apply directly to DCED but through a local unit of government except for non-profits applying for a regional based project. Applicants should complete the ESG application and associated forms and attachments via DCED's Electronic Single Application, and submit certification and required documentation in accordance with instructions outlined in the guidelines as posted at: https://dced.pa.gov/download/emergency-solutions-grant-guidelines/?wpdmdl=84126 Eligible activities include all activities listed in the interim rule, published in the Federal Register on December 5, 2011. Emphasis will be placed on the Rapid Rehousing and Street Outreach categories of the program. As prescribed by the program regulations, no less than 40% of the state's grant allocation will be allocated to Rapid Rehousing. The contract period is 18 months to allow for recapture of unused funds and reallocation to successful programs. 50% of the funding must be expended within the first 9 months of the grant. 100% of the

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	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only) con't.	grant must be incurred within 18 months. Grantees will have 30 days from the end of the contract to submit all invoices to DCED. Grantees that do not meet the expenditure deadlines may have a portion or all of their funds disencumbered from the contract. The minimum grant an applicant can apply for is $25,000. This is to allow smaller agencies with limited match to utilize the funding. All applications will be reviewed for completeness and eligible activities. The applications will be evaluated based on a 205-point scale. The evaluation chart has been reviewed and approved by the Balance of State Continuums of Care. Part of the evaluation is based on the participants' involvement in the CoC and CoC's knowledge of the programs or activities of the applicant and/or its vendors. No application will be funded with less than 75 points. Grant allocations may be awarded from recaptured or repayment funds if timing allows. These grants may have shorter contract timing depending on the funding year allocation being utilized. The awarded grantee will be made aware of this contract time period in the award letter and through communication with DCED's ESG staff.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable to the Emergency Solutions Grant program

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	Describe how resources will be allocated among funding categories.	Emphasis will be placed on the Rapid Rehousing and Street Outreach categories of the program. As prescribed by the program regulations, no less than 40% of the state's grant allocation will be allocated to Rapid Rehousing. In addition, despite the preference of many of the local Continuums of Care (CoCs) to use the ESG funds for prevention rather than rapid rehousing, it is critical that certain subpopulations of households who are homeless receive priority due to their vulnerability. Therefore, DCED will give greater priority to applicants for rapid re-housing and of those, who are chronically homeless, homeless veterans, and/or homeless families and children. **SA – 5-8-2020 –** a. Remove the DCED minimum allocation percentage for the rapid rehousing activity (40%); b. Add, no more than 60% of the annual federal allocation may be used for Emergency Shelter activities (including operations, essential services and street outreach) c. Remove DCED maximum of 20% of allocation for emergency shelter activities (operations, essential services, and street outreach) and remove cap of operational support as a percentage of overall operating budget; d. Allow Balance of State (non-federal entitlement) subgrantees to request modifications to their existing contracts for these years, based on specific and locally identified needs, to any allowable ESG activity. (Revisions may not exceed HUD threshold for emergency shelter activity at 60%); and; e. Allow federal direct-entitlement ESG grantees to request modifications to their existing contracts or seek funding in these years for either rapid rehousing activities or homeless prevention activities. Rapid rehousing must still represent at least 40% of the overall use of ESG funds for direct entitlement communities only.

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	Describe threshold factors and grant size limits.	DCED intends to make grants of $25,000 or more for the provision of the following ESG components: 1. Rapid Rehousing 2. Street Outreach 3. Homelessness Prevention 4. Emergency Shelter 5. Homeless Management Information System (HMIS) 6. Administration Or any combination of components. Applicants must demonstrate that the proposed activities will meet all program requirements and be undertaken in a timely manner. Successful applicants may be required to enter into agreements with local housing and third-party contractors to ensure all program requirements are met. The successful sub-recipients will be required to have adequate oversight and monitoring of all housing and third-party contractors.
	What are the outcome measures expected as a result of the method of distribution?	The expected outcomes for the 2018 ESG program are: • Rapid Rehousing - 3100 persons • Street Outreach - 1200 persons • Housing Prevention – 1500 persons
5	**State Program Name:**	HOME Investment Partnerships Program
	Funding Sources:	HOME

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	Describe the state program addressed by the Method of Distribution.	The Commonwealth will distribute the FY 2018 HOME Program allocation, in accordance with the priorities outlined in the Plan, the requirements of the National Affordable Housing Act of 1990, and the HOME regulations at 24 CFR 92 and 24 CFR part 91. DCED will administer the HOME Program but will transfer a portion of the Commonwealth's allocation to the Pennsylvania Housing Finance Agency (PHFA) as a sub-recipient to administer large (ten units or more) rental projects and homebuyer projects. PHFA will not receive more than 50 percent of the 2018 HOME allocation funds for rental housing construction and development, Tenant based rental assistance, and homebuyer programs. Fifteen percent (15%) of the Commonwealth's allocation will be used for housing that is owned, sponsored or developed by Community Housing Development Organizations (CHDO). This CHDO set aside may be included in the "not to exceed" 50% housing allotment that will be administered by PHFA. PHFA will also administer a predevelopment loan initiative for CHDOs, making available $250,000 for feasibility, market analysis and site control costs. PHFA will perform the necessary underwriting reviews on all HOME rental projects and perform all subsidy layering reviews required by the HOME final rule of July 24, 2013. The balance of the HOME funds will be administered by DCED through a competitive application process performed by DCED. The capacity of the applicant, nature of the project, and compliance with the targeting, leverage, and impact requirement will be determining factors in the recommendation for funding. Ten percent of HOME funds may be used for administrative costs. DCED will share these costs with PHFA and the local administrators.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	DCED still encourages applicants to target HOME funding to specific geographical areas or special population to maximize impact and/or leverage other funding that aides the beneficiaries with their needs. These factors will be reviewed when evaluating applications but no longer are priorities. In its place the following items will be used as criteria of selection of HOME awards: 1. DCED's 2018 HOME Program will prioritize awards to applicants focused on the following activities. Those activities that are a higher DCED priority will receive a higher point value. a). Affordable Rental Housing (New Construction and or Rehab) – 10pts b). Acquisition of existing single family housing, with HOME rehabilitation and or down payment assistance for sale to first time homebuyers. – 10 pts.

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria. (con't)	c). Existing Owner-Occupied Housing Rehabilitation – 5 pts. d). Single Family New Construction – 1 Point 2. Increase maximum allowable HOME program awards to those rental projects (new construction and or rehab) of less than 10 total units that do not exceed the maximum current year HOME per unit subsidy limits. 3. Continue a $ 2 million set-aside Weatherization Deferral Assistance program that focuses on the use of HOME funds to address residential property deferred by local Weatherization Programs due to substandard property conditions. The HOME funds would be used to correct those substandard conditions so that the Weatherization funds can be used to address the weatherization needs of the property in question. For 2018 the program is open to all non-Participating Jurisdictions in coordination with their Weatherization Programs. 4. DCED has opened the eligible applicants, besides the HOME non-HUD entitlement entities, for 2018 HOME funding to all of Pennsylvania HOME Participating Jurisdictions that meet one of the following criteria and all other program requirements. These PJs were previously unable to apply for the Commonwealth's funding. a. Prioritize those Community Housing Development Organization (CHDO) Projects where CHDO Certification has been granted by PA DCED for an award of Pennsylvania's 15% HOME CHDO Set Aside funds by either DCED and or PHFA. b. Prioritize awards to HOME PJ's whose annual HOME allocation is less than $500,000 based on current year HOME allocation (1 counties and 7 cities) and who also meet DCED's priority consideration of HOME activities as listed in the consolidated plan, action plan and HOME Application kit. c. Prioritize awards to projects that preserve affordable rental housing through HOME funded rehabilitation.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Program guidelines may be found : https://dced.pa.gov/download/home-program-guidelines/?wpdmdl=80332 or Federal Resource Library on the web: https://dced.pa.gov/download/home-program-guidelines/?wpdmdl=80332

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	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable to the HOME Investment Partnerships Program
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable to the HOME Investment Partnerships Program
	Describe how resources will be allocated among funding categories.	The Commonwealth's distribution of funds will be consistent with the priorities previously identified in this portion of the Plan. The Department will accept applications for any HOME eligible activity, other than rental housing activities for 10 units and above. Those will be submitted to PHFA as described above. Applicants are cautioned in applying for programs that have limited point value on priority, as described previously. Please contact the HOME Program Manager for further discussion. Two million dollars is being set aside for a Weatherization Deferral Assistance Program. Four agencies with long standing successful weatherization programs that have had turn away clients due to needed rehabilitation of homes other than those covered with weatherization have been selected to execute this program for the first year. If successful, the program will be open to all weatherization programs. Units of local government are the only eligible applicants that may submit applications for HOME funds. Applications submitted by a unit of local government may be on its own behalf, another unit of local government without the capacity to administer the program, public agencies, non-profit organizations or private developers. Private non-profit housing organizations that are unable to secure their unit of local government's agreement to be an applicant should contact DCED.

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	Describe threshold factors and grant size limits.	Because of the complexity of federal regulations and requirements associated with the HOME Program, a minimum application amount of $50,000 has been established, except for CHDO operating grants and project specific predevelopment loans. HOME has a maximum grant level of $500,000 for any HOME application covering a single municipality or $750,000 for assistance for multiple municipalities. DCED reserves the right to increase the contract amounts above this level for those rental development projects of 9 units or less to the per unit subsidy limits applicable to the project area. DCED also reserves the right to increase the contact amounts of other HOME contracts for warranted reasons, but the level will not be over $1,000,000.
	What are the outcome measures expected as a result of the method of distribution?	The expected outcomes for the 2018 HOME Program are: •Existing & Rental Rehabs - 600 units •Construction of New Units - 230 units •Homebuyer Assistance - 50 households
6	**State Program Name:**	**Housing Opportunities for Persons with AIDS**
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution. **HOPWA Program**	Historically, HOPWA funding for Pennsylvania's seven Regional HIV Grantees has been distributed in proportion to the number of persons living with HIV/AIDS in each region, service utilization data, and demonstrated need. Distribution of the HOPWA award in Pennsylvania for FY2018 uses the FY2017 funding distribution as a baseline. Regions having and documenting greater housing needs have been awarded additional funding. Since the overall housing picture in Pennsylvania has not changed significantly over the past year, distribution of HOPWA funds will remain consistent for planning purposes. The Pennsylvania HOPWA award of $1,698,390 for the year, was applied across all Regions using the funding distribution noted above. The Pennsylvania Department of Health (DOH), Bureau of Communicable Diseases, Division of HIV Disease has again decided to allocate less (than entitled) to its administrative expense (0.34%) and thus make additional funding available to the Regional Grantees for housing services. Additionally, the DOH will also serve as grantee and will administer funds of $357,496 on behalf of eligible persons in the designated counties of Carbon, Lehigh, and Northampton in the Allentown, PA EMSA; and will administer funds of $382,447 on behalf of eligible persons in the designated counties of Dauphin, Cumberland and Perry in the City of Harrisburg, PA EMSA; and will administer funds of $676,562 on behalf of eligible persons in the designated counties of Bucks, Chester and Montgomery in the Bensalem Township EMSA's.

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Grant agreements are developed with the six of the regional grantees through a of Request for Proposals (RFPs) process. The seventh, City of Philadelphia, Office of Housing and Community Development Regional Grantee uses a sole source process as it would not be practical to enter into grant agreements with different agencies each year since they would not have the institutional knowledge to manage these services effectively. Each Regional Grantee is an entity with which the DOH enters into a grant agreement to provide fiscal and administrative functions. Each Regional grantee prioritizes needs for its respective region through a formal process reflective of its demographic and epidemiological profile. Funds are dispersed based upon the need for the full range of eligible activities.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Not applicable to the Housing Opportunities for Persons with AIDS program
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable to the Housing Opportunities for Persons with AIDS program

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Each Regional Grantee prioritizes needs for its respective region through a formal process reflective of its demographic and epidemiological profile. Six of the seven regional grantees conduct a competitive procurement process and receive plans to provide HOPWA services from large organizations and smaller, grassroots faith-based and other community organizations. The City of Philadelphia, Office of Housing and Community Development Regional Grantee uses a sole source process as it would not be practical to enter into grant agreements with different agencies each year since they would not have the institutional knowledge to manage these services effectively. In addition, each Regional Grantee has the capacity to distribute patient care funds directly if it is expedient and/or more cost-effective method for delivery. Sub grantees who are funded for short term rent / mortgage / utility assistance that do have caps in place, have based them on historical usage, the estimated number of clients in need of this service, and the amount typically needed to avoid eviction.
	Describe how resources will be allocated among funding categories.	Each Regional Grantee provides a detailed response to the six areas delineated in the HOPWA program announcement listed below along with their Outcome measures for the 2018 grant year. 1. Estimate the number and characteristics of eligible persons who will be served by the proposed services. Provide a description of how their eligibility for participation in the program will be determined. 2. List the general locations and costs of the proposed services. 3. Describe how the proposed services will address urgent and supportive service's needs (not currently addressed by available public and private resources) of eligible persons. Include a description of the public and private resources that are to be made available in connection with the proposed HOPWA-supported services. 4. Describe how project sponsors (providers of actual HOPWA services, sub grantees) have been, or will be, selected. If available, include a list of those already selected. 5. Describe the method used (outreach, referrals, existing shelter network) to inform eligible persons of housing assistance/ services availability. Describe the process for selecting program participants. 6. Describe procedures that have been, or will be, implemented to ensure coordination of HOPWA assistance with state and local government agencies responsible for providing services to persons with AIDS or related diseases. Include, where applicable, a description of coordination efforts with Ryan White funded agencies. Describe how community-based, non-profit AIDS services organizations have been consulted and involved in the application planning process.
	Describe threshold factors and grant size limits.	Service utilization patterns have been factored into the distribution of HOPWA funding for Pennsylvania's seven Regional Grantees, taking into consideration the number of persons living with HIV/AIDS in each respective region.

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	What are the outcome measures expected as a result of the method of distribution?	Outcome measures are the number of Households/Persons that will receive housing assistance based on established goals and objectives. The HOPWA Program will provide decent affordable housing to benefit low income persons living with HIV/AIDS by providing services to 607 households through tenant based rental assistance, short term rent, mortgage and utility assistance, permanent housing placement, and supportive services – case management. This will enable clients to establish and/or maintain a stable living environment in housing that is decent, affordable, safe and sanitary. Thus, through better access to care and support, there is an improved quality of life and increased housing stability for HIV/AIDS clients and their families.
7	**State Program Name:**	**Neighborhood Stabilization Program (NSP) Recapture**
	Funding Sources:	Recaptured NSP1 funds and Program Income
	Describe the state program addressed by the Method of Distribution.	The purpose of NSP is to address the effects of the housing crisis that occurred due to subprime mortgage lending which, nationally, resulted in significant numbers of homeowners entering foreclosure and entire neighborhoods becoming vacant or abandoned. Pennsylvania, while above the national average in numbers of subprime mortgage loans at the time, had not experienced the same level of housing foreclosures. Each past and future grantee is encouraged to carry out the NSP activities in the context of a comprehensive plan to make its neighborhoods not only more stable, but also sustainable, competitive, and integrated into the overall community fabric including access to transit, affordable housing, employers and services. Such application proposals were and will be given priority in the selection process. Applicants were and remain encouraged to review the Commonwealth's Keystone Principles for Investment and the housing priorities for Targeting, Leverage, and Impact contained in the Commonwealth's Consolidated Plan. DCED also encourages model targeting strategies to effectively utilize the NSP funds as outlined in *Stabilizing Neighborhoods by Addressing Foreclosed and Abandoned Properties*. The selection criterion for NSP grants will apply the referenced principles and priorities.

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Describe the state program addressed by the Method of Distribution. (continued)	DCED will be accepting applications from eligible NSP grantees meeting requirements defined herein for use of the recaptured NSP funding. The applicant must follow the application procedures and submit the required elements via DCED's Electronic Single Application. The recaptured allocation of NSP funding is available to existing eligible NSP grantees, that are units of local government, which have successfully implemented their original grant contract, and have met their original projected goals. Eligible entities must submit evidence that they have in place at the time of application the following plans and certifications: • Fair Housing Plan • Section 3 Plan • Minority Business Enterprise/Women Business Enterprise (MBE/WBE) Plan • Certification of Consistency with either: – Local Consolidated Plan (for Federal CDBG entitlement areas) – Local 3-Year Community Development Plan (for all other areas) • Identify a Responsible Entity for conducting the Environmental Review
Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	DCED will evaluate the applications submitted and make funding decisions based on the following considerations: 1. **Neighborhood Stabilization** – *20 points* The commonwealth will give priority to those proposals that demonstrate a strong connection to neighborhood stabilization activities, consistent with commonwealth's existing housing priorities for Targeting, Leverage, and Impact in its Consolidated Plan. The commonwealth will draw a distinction in awarding priority points to give more points to those applications that connect NSP-funded activities to housing foreclosure and abandonment problems caused by problematic mortgage lending activities. Priority will also be given to proposals that will support other neighborhood stabilization activities consistent with Targeting, Leverage, and Impact as defined in the Commonwealth's Consolidated Plan. Applicants should also give consideration to the strategies suggested in **Stabilizing Neighborhoods by Addressing Foreclosed and Abandoned Properties**, which is found at: dced.pa.gov/nsp. 2. **Capacity of Applicant & Program Administrators** – *20 points* DCED will give priority to applications that exhibit a strong capacity to administer the NSP in two areas: • Knowledge, implementation, and compliance of activities funded through the CDBG Program. DCED will also assess any prior significant monitoring findings or program weaknesses that have not been addressed, as well as performance on prior DCED contract closeout requirements. *(15 Points)* • Experience administering and delivering the specific activities for which the NSP funds would be used. If significant administrative responsibilities will be assigned to another entity via subcontract, the experience of that entity will be considered as well and must be addressed in the application. *(5 Points)* .

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria. (continued)	3. **Assistance to Low-Income Households At or Below 50% AMI** – *20 Points* In order to meet the requirement that at least 25 percent of all NSP funds assist households at or below 50 percent of the area median income (AMI), the commonwealth will give priority to proposals that will serve persons in this income category. Proposal scores will be prorated according to the percentage of funds that will benefit households at or below 50 percent AMI. **NOTE:** DCED will impose the assistance to low-income households proposed in applications as contract conditions with required performance levels in order to receive NSP grant payments 4. **Priority Need Areas** – *15 Points* While all applicants must serve an Area of Greatest Need to be eligible for NSP funding, the commonwealth will give priority to proposals that address the Priority Need Areas as defined in the Action Plan. To qualify for this criterion, an applicant is not required to use all NSP funds in the geographic location(s) defined as Priority Need Areas, however, the application must clearly contain Priority Need Area(s) within its jurisdiction and must detail how NSP or other funding will address the housing problems in those Priority Need Area(s). 5. **Multi-Municipal Proposals** – *10 Points* The commonwealth will give priority to those applications that will serve multiple municipalities and demonstrate effective inter-governmental cooperation in addressing needs in multiple locations. This priority will include proposals submitted by county governments and regional efforts to manage efficiently NSP funds. The applicant must demonstrate a strong management role in the program delivery, not merely a conduit for funding multiple locations. 6. **Green Building** – *10 Points* The commonwealth will give priority to proposals that utilize Green Building components and techniques. The highest priority will be given to those proposals that assure construction activities will meet a national standard for Green Building, such as Leadership in Energy and Environmental Design (LEED) or the National Association of Home Builders (NAHB) Green Building Program. Proposals that demonstrate use of energy-efficient design and materials will also be given priority. 7. **Land Banks** – *5 Points* DCED will give priority to proposals that will establish land banks as a means of addressing the problems encountered due to foreclosed properties.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Program guidelines may be found : https://dced.pa.gov/download/neighborhood-stabilization-guidelines/?wpdmdl=83403

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	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable to the NSP Recapture program
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable to the NSP Recapture program
	Describe how resources will be allocated among funding categories.	HUD has established restrictions on these activities in its Notice on the allocation and application process for NSP funds. In particular, several of these activities are only eligible if the use of funds will address a foreclosed property. DCED will administer NSP funds with the maximum authorized flexibility while adhering to HUD mandated restrictions. DCED will also advise and provide technical assistance to all of its applicants regarding these requirements. Additional information on how these activities can be carried out in the context of the program can be found at Appendix B - Model Programs & Regulatory Requirements
	Describe threshold factors and grant size limits.	There will be no cap on the amount of funds that can be requested. Applicants are asked to modify the request based on what is necessary to complete the proposed project given other sources of funds and the ability to complete the project within 18 months of DCED contract award. DCED will prioritize projects that can utilize a minimum of $1 million and have a minimum of 15 units. DCED also reserves the right to adjust requested application amounts based on the information provided by the applicant to justify the needs of the jurisdiction and the capacity to carry out the proposed activities in a timely manner.
	What are the outcome measures expected as a result of the method of distribution?	Based on the minimum amount of units that are eligible no less than 45 units are expected to be assisted.

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8	**State Program Name:**	**National Housing Trust Fund**
	Funding Sources:	National Housing Trust Fund
	Describe the state program addressed by the Method of Distribution.	The Commonwealth, through the Pennsylvania Housing Finance Agency (PHFA), will distribute the federal Housing Trust Fund (“HTF”) in accordance with federal criteria and regulations at 24 CFR Part 93. The Commonwealth will distribute HTF funds through an application process to eligible recipients. The HTF will be used for funding affordable rental units for very low- and extremely low- income persons (30% below area median income) which are supported through the federal Low-Income Housing Tax Credit Program ("Tax Credit”) and/or other federal funding sources. PHFA will underwrite rental housing projects to meet all HTF rental housing requirements and which provide at least 35 years of affordability as evidenced by a deed restriction. PHFA will evaluate the capacity of project owners, nature of housing being funded, leveraging and impact as well as ability to serve extremely low-income housing households as determining factors in the recommendation for funding. Ten percent (10%) of the HTF funds may be used for administrative expenses.
	Describe all of the criteria that will be used to select applications and relative importance of these criteria.	PHFA will utilize the same process for applicant selection as they have developed for their Low-Income Tax Credit program which may be found in the attached Tax Credit Allocation Plan, made part of this plan. HTF funds will only be awarded to projects that meet the guidelines and receive low income housing tax credits. Additionally, developments must meet the site and neighborhood standards set forth 24 CFR 93.150. • Applicants must meet the Eligibility and Threshold Criteria set forth in the Tax Credit Allocation Plan which include, but are not limited to; limited displacement of low income residents, commitment to service low income residents for a period of not less than 35 years, Applicant financial capacity to complete the development, provision of specific project amenities such as community rooms, laundry facilities and management offices, Visibility, accessibility requirements and Fair Housing Act design standards and energy efficiency goals. • Applicants must meet, and all requirements set forth in 24 CFR 93.2 to be eligible for funding under the HTF Program. • Developments must also meet the property standards set forth in the Tax Credit Allocation Plan and in 24 CFR 93.301.

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	Describe all of the criteria that will be used to select applications and relative importance of these criteria.	• Qualified developments must be affordable to tenants whose incomes do not exceed the federal poverty line or whose annual income do not exceed 30% of the median area income for the area, as determined by HUD with adjustment for bedroom size. • Selected developments must follow tenant protection and selection procedures set forth in 24 CFR 93.303.
	If only summary criteria were described, how can potential applicants access application manual or other state publications describing the application criteria?	The Allocation Plan for the HTF 2018 funding and the program exhibits are located at: In the Appendices of this Plan, or http://www.phfa.org/legislation/act105.aspx (Please scroll to the bottom of the page)
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable to the HTF program.
	Identify the method of selection projects sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable to the HTF program.
	Describe how resources will be allocated among funding categories.	The funding allocations will be determined by the applications received and upon completion of PHFA review. All the funds will be targeted to affordable rental units for the very low- income and extremely low- income renters.

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Describe the threshold factors and grant size limits.	There is no established threshold of grant size limits for HTF other than; PHFA has evaluated current costs of affordable housing units and local market conditions throughout the Commonwealth for the purpose of providing HTF resources and the maximum per unit development award is aligned with Pennsylvania's HOME program limits based on unit type. Therefore, the maximum per unit HTF subsidy will be: 0 BR $144,050 / 1BR $65,134 / 2BR $200,800 / 3BR $259,773 / 4BR $285,148 In 2018, PHFA anticipates providing HTF funds to approximately six developments projects or assisting 50 rental housing units among several properties throughout the Commonwealth based upon applications received and availability of resources. For 2018, PHFA will impose a minimum HTF award amount of $500,000 per development. Please refer to the HTF Allocation Plan and LIHTC Allocation plan materials located at: http://www.phfa.org/legislation/act105.aspx
What are the outcome measures expected as a result of the method of distribution?	Based on an initial federal award of funds in 2018 of $7,759,948, PHFA anticipates providing funds for the new construction or rehabilitation of approximately six rental housing developments or 40 rental housing units among several properties throughout the Commonwealth.

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AP-35 Projects – (Optional)

Introduction

Because of the nature of state funding under the federal program system, Pennsylvania has not determined the exact projects to utilize the 2018 funding at this time. The Act 179 Entitlement municipalities have been added as has the HOPWA programs but not any of the other funding for the CDBG Competitive program, CDBG-DR, HOME, NSP or ESG. These projects will be added once awards have been made.

With the FY 2015 applications for CDBG, DCED incorporated the criteria that all state entitlement townships or boroughs with less than 10,000 in populations must submit their applications through their respective counties. This reduced the number of grantees submitting application to 87. This will continue in 2018 and beyond to ease the workload of the DCED staff.

Table 10 – Project Information

#	Project Name
1	2018-2018 Commonwealth of PA PAH16F999
2	2018-2018 AIDSNET PAH16F999 (AIDSNET)
3	2018-2018 AIDSNET-EMSA (3 Counties) PAH16F999 (AIDSNET-EMSA)
4	2018-2018 North Central District AIDS Coalition PAH16F999 (NCDAC)
5	2018-2018 AIDS Resource Alliance, Inc. PAH16F999 (ARA)
6	2018-2018 Caring Communities for AIDS PAH16F999 (CCFA)
7	2018-2018 United Way of Wyoming Valley PAH16F999 (UWWV)
8	2018-2018 Wyoming Valley AIDS Council, Inc. PAH16F999 (WVAC)
9	2018-2018 The Wright Center PAH16F999 (TWC)
10	2018-2018 Clarion University of PA PAH16F999 (CU)
11	2018-2018 Family Health Council of Central PA PAH16F999 (FHCCP)
12	2018-2018 Family Health Council of Central PA - EMSA (3 counties) PAH16F999 (FHCCP-EMSA)
13	2018-2018 The Jewish Healthcare Foundation PAH16F999 (JHF)
14	2018-2018 Senior Care Management PAH16F999 (SCM)
15	2018-2018 City of Philadelphia OHCD - EMSA PAH16F999 (COP-OHCD-EMSA)
16	2018-2018 Family Services of Bucks County - EMSA PAH16F999 (FSBC-EMSA)
17	2018-2018 Family Services of Chester County - EMSA PAH16F999 (FSCC-EMSA)
18	2018-2018 Family Services of Montgomery County - EMSA PAH16F999 (FSMC-EMSA)
19	ESG16 Pennsylvania
20	DCED CDBG 2018 ADMINISTRATION
21	Adams County 2018 Entitlement
22	Armstrong County 2018 Entitlement
23	Bedford County 2018 Entitlement
24	Blair County 2018 Entitlement
25	Bradford County 2018 Entitlement

#	Project Name
26	Butler County 2018 Entitlement
27	Cambria County 2018 Entitlement
28	Cameron County 2018 Entitlement
29	Carbon County 2018 Entitlement
30	Centre County 2018 Entitlement
31	Clarion County 2018 Entitlement
32	Clearfield County 2018 Entitlement
33	Clinton County 2018 Entitlement
34	Columbia County 2018 Entitlement
35	Crawford County 2018 Entitlement
36	Elk County 2018 Entitlement
37	Erie County 2018 Entitlement
38	Fayette County 2018 Entitlement
39	Forest County 2018 Entitlement
40	Franklin County 2018 Entitlement
41	Fulton County 2018 Entitlement
42	Greene County 2018 Entitlement
43	Huntingdon County 2018 Entitlement
44	Indiana County 2018 Entitlement
45	Jefferson County 2018 Entitlement
46	Juniata County 2018 Entitlement
47	Lackawanna County 2018 Entitlement
51	McKean County 2018 Entitlement
52	Mercer County 2018 Entitlement
53	Mifflin County 2018 Entitlement
54	Monroe County 2018 Entitlement
55	Montour County 2018 Entitlement
56	Northumberland County 2018 Entitlement
57	Perry County 2018 Entitlement
58	Pike County 2018 Entitlement
59	Potter County 2018 Entitlement
60	Schuylkill County 2018 Entitlement
61	Snyder County 2018 Entitlement
62	Somerset County 2018 Entitlement
63	Sullivan County 2018 Entitlement
64	Susquehanna County 2018 Entitlement
65	Tioga County 2018 Entitlement
66	Union County 2018 Entitlement
67	Venango County 2018 Entitlement

#	Project Name
68	Warren County 2018 Entitlement
69	Wayne County 2018 Entitlement
70	Wyoming County 2018 Entitlement
71	City of Arnold 2018 Entitlement
72	City of Bradford 2018 Entitlement
73	City of Butler 2018 Entitlement
74	City of Carbondale 2018 Entitlement
75	City of Connellsville 2018 Entitlement
76	City of Corry 2018 Entitlement
77	City of Dubois 2018 Entitlement
78	City of Farrell 2018 Entitlement
79	City of Franklin 2018 Entitlement
80	City of Greensburg 2018 Entitlement
81	City of Hermitage 2018 Entitlement
82	City of Jeannette 2018 Entitlement
83	City of Lock Haven 2018 Entitlement
84	City of Meadville 2018 Entitlement
85	City of Monessen 2018 Entitlement
86	City of Nanticoke 2018 Entitlement
87	City of New Castle 2018 Entitlement
88	City of New Kensington 2018 Entitlement
89	City of Oil City 2018 Entitlement
90	City of Parker 2018 Entitlement
91	City of Pittston 2018 Entitlement
92	City of Pottsville 2018 Entitlement
93	City of Shamokin 2018 Entitlement
94	City of St. Mary's 2018 Entitlement
95	City of Sunbury 2018 Entitlement
96	City of Titusville 2018 Entitlement
97	City of Uniontown 2018 Entitlement
98	City of Warren 2018 Entitlement
99	Coal Township 2018 Entitlement
100	Conshohocken Borough 2018 Entitlement
101	Dunmore Borough 2018 Entitlement
102	Limerick Township 2018 Entitlement
103	Logan Township 2018 Entitlement
104	Loyalsock Township 2018 Entitlement
105	Sandy Township 2018 Entitlement
106	Scottdale Borough 2018 Entitlement

#	Project Name
107	Waynesboro Borough 2018 Entitlement

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

PA Act 179 dictates the use of the majority of the Commonwealth's CDBG allocation and leaves the units of local governments the responsibility to address the needs of the underserved in their communities. The HOPWA funding is allocated to the same regional programs each year as they are trained to administer the program properly.

The CDBG-DR funding is prescribed where the funding may be spent. Only the 36 counties designated as Presidential Disaster Areas during 2011 are eligible for funding.

The NSP Recapture program will only allocate funding in areas with current contracts for NSP funding with the state and have completed their existing program and can prove a need for additional funding.

The allocation priority for the other programs is part of the method of distribution which can be found in AP-30.

AP-38 Project Summary

Project Summary Information

Table 11 – Project Summary

1	**Project Name**	2018 Commonwealth of PA PAH18F999
	Target Area	HOPWA 7 Regional Grantees
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$10,568
	Description	Administration of the HOPWA Program
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed activities	All clients served Statewide - Administrative Services on the grantee level
	Location Description	Statewide Administration
	Planned Activities	Administration of the HOPWA Program
2	**Project Name**	2018 AIDSNET PAH18F999 (AIDSNET)
	Target Area	HOPWA – AIDSNET Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$48,172

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	Description	To provide decent affordable housing to low income HIV/AIDS clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed activities	12 Low Income HIV/AIDS client households
	Location Description	AIDSNET Region
	Planned Activities	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, Permanent Housing Placement (PHP), Supportive Services and Administration
3	**Project Name**	2018 AIDSNET-EMSA (3 Counties) PAH18F999 (AIDSNET-EMSA)
	Target Area	HOPWA AIDSNET – Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$360,758.00
	Description	To provide decent affordable housing to low income HIV/AIDS clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed activities	60 Low Income HIV/AIDS client households
	Location Description	AIDSNET Region – Lehigh, Northampton, and Carbon counties
	Planned Activities	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, Permanent Housing Placement (PHP), Supportive Services and Administration

4	**Project Name**	2018 North Central District AIDS Coalition PAH18F999 (NCDAC)
	Target Area	HOPWA North Central Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$6,336
	Description	To provide decent affordable housing to low income HIV/AIDS clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	All clients within the region - Administrative Services on the regional grantee level
	Location Description	North Central Region
	Planned Services	Administration of the HOPWA Program for the North Central Region
5	**Project Name**	2018 Clarion University of PA – North Central Region PAH18F999 (CU-NC)
	Target Area	HOPWA North Central Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$32,100
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed activities	12 Low Income HIV/AIDS client households

	Location Description	North Central Region
	Planned Activities	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, and Administration
6	**Project Name**	2018 AIDS Resource Alliance, Inc. PAH18F999 (ARA)
	Target Area	HOPWA North Central Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$127,014
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	28 Low Income HIV/AIDS client households
	Location Description	North Central Region
	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, Permanent Housing Placement (PHP), Supportive Services and Administration
7	**Project Name**	2018 Caring Communities for AIDS PAH18F999 (CCFA)
	Target Area	HOPWA North Central Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients

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	Funding	$45,750
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	20 Low Income HIV/AIDS client households
	Location Description	North Central Region
	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, Permanent Housing Placement (PHP), Supportive Services and Administration
8	**Project Name**	2018 United Way of Wyoming Valley PAH18F999 (UWWV)
	Target Area	HOPWA North East Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$191,515
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	40 Low Income HIV/AIDS client households
	Location Description	North East Region

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, and Administration
9	**Project Name**	2018 Clarion University of PA PAH18F999 (CU)
	Target Area	HOPWA North West Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$278,827
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	85 Low Income HIV/AIDS client households
	Location Description	North West Region
	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, Permanent Housing Placement (PHP), and Administration
10	**Project Name**	2018 Family Health Council of Central PA PAH18F999 (FHCCP)
	Target Area	HOPWA South Central Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$655,855

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	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	115 Low Income HIV/AIDS client households
	Location Description	South Central Region
	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, Permanent Housing Placement (PHP), and Administration
11	**Project Name**	2018 Family Health Council of Central PA - EMSA (3 counties) PAH18F999 (FHCCP - EMSA)
	Target Area	HOPWA South Central Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$584,820
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	101 Low Income HIV/AIDS client households
	Location Description	South Central Region – Dauphin, Cumberland and Perry counties
	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU) assistance, Permanent Housing Placement (PHP), and Administration

12	**Project Name**	2018 The Jewish Healthcare Foundation PAH18F999 (JHF)
	Target Area	HOPWA South West Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$1,000
	Description	Administration of the HOPWA Program in the South West Region
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	All clients within the region - Administrative Services on the regional grantee level
	Location Description	South West Region
	Planned Services	Administration of the HOPWA Program in the South West Region
13	**Project Name**	2018 Senior Care Management PAH18F999 (SCM)
	Target Area	HOPWA South West Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$95,618
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year

	Estimate the number and type of families that will benefit from the proposed services	25 Low Income HIV/AIDS client households
	Location Description	South West Region
	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), and Short-Term Rent, Mortgage, and Utility (STRMU) assistance
14	**Project Name**	2018 City of Philadelphia OHCD - EMSA PAH18F999 (COP - OHCD - EMSA)
	Target Area	HOPWA South East Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$20,183.00
	Description	Administration of the HOPWA Program in the South East Region
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	All clients within the region - Administrative Services on the regional grantee level
	Location Description	South East Region
	Planned Services	Administration of the HOPWA Program in the South East Region
15	**Project Name**	2018 Family Services of Bucks County - EMSA PAH18F999 (FSBC - EMSA)
	Target Area	HOPWA South East Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS

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	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$330,167.00
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	37 Low Income HIV/AIDS client households
	Location Description	South East Region
	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Permanent Housing Placement (PHP), Supportive Services – Case Management and Administration
16	**Project Name**	2018 Family Services of Chester County - EMSA PAH18F999 (FSCC - EMSA)
	Target Area	HOPWA South East Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$212,450
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	29 Low Income HIV/AIDS client households
	Location Description	South East Region

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Permanent Housing Placement (PHP), Supportive Services Case Management and Administration
17	**Project Name**	2018 Family Services of Montgomery County - EMSA PAH18F999 (FSMC - EMSA)
	Target Area	HOPWA South East Regional Grantee
	Goals Supported	Housing and Services for Persons with HIV/AIDS
	Needs Addressed	Housing for Low Income HIV/AIDS clients
	Funding	$113,762
	Description	To Provide Decent affordable housing to Low Income HIV/AIDS Clients
	Target Date	2018 HOPWA Grant Year
	Estimate the number and type of families that will benefit from the proposed services	15 Low Income HIV/AIDS client households
	Location Description	South East Region
	Planned Services	Assist with housing support to low income HIV/AIDS Clients: Tenant Based Rental Assistance (TBRA), Permanent Housing Placement (PHP), Supportive Services - Case Management and Administration
20	**Project Name**	ESG16 Pennsylvania
	Target Area	
	Goals Supported	Rental Assistance and Services for the Homeless
	Needs Addressed	Public Facilities Homeless Facilities

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Funding	:
	Description	The 2018 Federal Fiscal Year allocation of Emergency Solutions Grant funds for the state of Pennsylvania are planned to operate a shelter for the homeless, provide utility assistance and emergency rental assistance to prevent homelessness, implement rapid re-housing strategies and for program administration and data collection through the HMIS.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
21	**Project Name**	DCED CDBG 2018 ADMINISTRATION
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	The Commonwealth's allocation of 2018 CDBG funds is $37,464,741. In accordance with Pennsylvania Act 179 of 1984, this amount is sub-allocated as follows: $31,845,030 (85% for Entitlement entities), $4,870,417 (13% for the Competitive program), and $749,278 for state administration and technical assistance.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	

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	Location Description	
	Planned Activities	
22	**Project Name**	Adams County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Adams County and OBO's Gettysburg Borough and Littlestown Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
23	**Project Name**	Armstrong County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Armstrong County and OBO's East Franklin Township, Kiskiminetas Township, Kittanning Borough and Manor Township
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
24	**Project Name**	Bedford County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Bedford County and OBO Bedford Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
25	**Project Name**	Blair County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	Blair County and OBO's Antis Township, Blair Township, Frankstown Township, Greenfield Township, Hollidaysburg Borough, and Tyrone Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
26	**Project Name**	Bradford County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Bradford County and OBO Sayre Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
27	**Project Name**	Butler County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Needs Addressed	
	Funding	:
	Description	Butler County and OBO's Penn Township, Slippery Rock Township, Summit Township and Jefferson Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
28	**Project Name**	Cambria County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Cambria County and OBO's Adams Township, Cambria Township, Cresson Township and Jackson Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	

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29	**Project Name**	Cameron County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Cameron County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
30	**Project Name**	Carbon County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Carbon County and OBO's Franklin Township, Jim Thorpe Borough, Lehighton Borough, Mahoning Township, and Palmerton Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	

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	Location Description	
	Planned Activities	
31	**Project Name**	Centre County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Centre County and OBO Bellefonte Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
32	**Project Name**	Clarion County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Clarion County and OBO's Clarion Borough and Clarion Township
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
33	**Project Name**	Clearfield County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Clearfield County and OBO Clearfield Borough and Lawrence Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
34	**Project Name**	Clinton County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Description	Clinton County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
35	**Project Name**	Columbia County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Columbia County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
36	**Project Name**	Crawford County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Needs Addressed	
	Funding	:
	Description	Crawford County and OBO Vernon Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
37	**Project Name**	Elk County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Elk County and OBO Ridgway Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	Erie County 2018 Entitlement

OMB Control No: 2506-0117 (exp. 07/31/2015)

38	**Target Area**	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Erie County and OBO's Edinboro Borough, Girard Township, McKean Township and North East Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
39	**Project Name**	Fayette County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Fayette County and OBO's Bullskin Township, Dunbar Township, Georges Township, German Township, Luzerne Township, Menallen Township, North Union Township, Redstone Township and South Union Township
	Target Date	

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
40	**Project Name**	Forest County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Forest County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
41	**Project Name**	Franklin County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	Franklin County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
42	**Project Name**	Fulton County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
43	**Project Name**	Greene County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Needs Addressed	
	Funding	:
	Description	Greene County and OBO's Cumberland Township, Franklin Township, and Waynesburg Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
44	**Project Name**	Huntingdon County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Huntingdon County and OBO's Huntingdon Borough and Smithfield Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	Indiana County 2018 Entitlement

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45	**Target Area**	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Indiana County and OBO's Burrell Township, Center Township, and Indiana Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
46	**Project Name**	Jefferson County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Jefferson County and OBO's Punxsutawney Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	

	Planned Activities	
47	**Project Name**	Juniata County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Juniata County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
48	**Project Name**	Lackawanna County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Lackawanna County and OBO's Archbald Borough, Blakely Borough, Clarks Summit Borough, Dickson City Borough, Jessup Borough, Old Forge Borough, Olyphant Borough, Scott Township, Taylor Borough, and Throop Borough
	Target Date	

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	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
49	**Project Name**	Lawrence County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Lawrence County and OBO's Ellwood City Borough, Shenango Township and Union Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
50	**Project Name**	Lebanon County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	Lebanon County and OBO South Lebanon Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
51	**Project Name**	Lycoming County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Lycoming County and OBO's Jersey Shore Borough, Montoursville Borough, and South Williamsport Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
52	**Project Name**	McKean County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

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	Needs Addressed	
	Funding	:
	Description	McKean County and OBO Bradford Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
53	**Project Name**	Mercer County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Mercer County and OBO's Brown Township, Derry Township, Granville Township, and Lewistown Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	Mifflin County 2018 Entitlement

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54	**Target Area**	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Mifflin County and OBO's Brown Township, Derry Township, Granville Township and Lewistown Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
55	**Project Name**	Monroe County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Monroe County and OBO's East Stroudsburg Borough and Stroudsburg Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	

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	Planned Activities	
56	**Project Name**	Montour County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Montour County and OBO Danville Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
57	**Project Name**	Northumberland County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Northumberland County and OBO's Delaware Township, Milton Borough, Mount Carmel Borough and Ralpho Township
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
58	**Project Name**	Perry County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Perry County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
59	**Project Name**	Pike County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	Pike County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
60	**Project Name**	Potter County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Potter County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
61	**Project Name**	Schuylkill County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

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	Needs Addressed	
	Funding	:
	Description	Schuylkill County and OBO's Butler Township, Mahanoy City Borough, Minersville Borough, Pine Grove Township, Schuylkill Haven Borough, Shenandoah Borough, Tamaqua Borough, Wayne Township and West Penn Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
62	**Project Name**	Snyder County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Snyder County and OBO's Penn Township and Selinsgrove Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	

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63	**Project Name**	Somerset County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Somerset County and OBO's Conemaugh Township, Jenner township, Somerset Borough, Somerset Township and Windber Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
64	**Project Name**	Sullivan County 2018 Entitlement
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Sullivan County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	

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	Location Description	
	Planned Activities	
65	**Project Name**	Susquehanna County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Susquehanna County
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
66	**Project Name**	Tioga County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Tioga County
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
67	**Project Name**	Union County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Union County and OBO's Kelly Township and Lewisburg Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
68	**Project Name**	Venango County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	Venango County and OBO's Honesdale Borough and Salem Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
69	**Project Name**	Warren County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
70	**Project Name**	Wayne County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

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	Needs Addressed	
	Funding	:
	Description	Wayne County and OBO's Honesdale Borough and Salem Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
71	**Project Name**	Wyoming County 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Wyoming County 2018 Entitlement
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	City of Arnold 2018 Entitlement

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72	**Target Area**	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Arnold
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
73	**Project Name**	City of Bradford 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Bradford
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	

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	Planned Activities	
74	**Project Name**	City of Butler 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Butler
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
75	**Project Name**	City of Carbondale 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Carbondale
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
76	**Project Name**	City of Connellsville 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Connellsville
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
77	**Project Name**	City of Corry 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	City of Corry
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
78	**Project Name**	City of Dubois 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Dubois
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
79	**Project Name**	City of Farrell 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

	Needs Addressed	
	Funding	:
	Description	City of Farrell
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
80	**Project Name**	City of Franklin 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Franklin
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	City of Greensburg 2018 Entitlement

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81	**Target Area**	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Greensburg
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
82	**Project Name**	City of Hermitage 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Hermitage
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	

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	Planned Activities	
83	**Project Name**	City of Jeannette 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Jeannette
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
84	**Project Name**	City of Lock Haven 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Lock Haven
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
85	**Project Name**	City of Meadville 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Meadville
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
86	**Project Name**	City of Monessen 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	City of Monessen
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
87	**Project Name**	City of Nanticoke 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Nanticoke
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
88	**Project Name**	City of New Castle 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

	Needs Addressed	
	Funding	:
	Description	City of New Castle
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
89	**Project Name**	City of New Kensington 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of New Kensington
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	City of Oil City 2018 Entitlement

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90	**Target Area**	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Oil City
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
91	**Project Name**	City of Parker 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Parker
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	

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	Planned Activities	
92	**Project Name**	City of Pittston 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Pittston
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
93	**Project Name**	City of Pottsville 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Pottsville
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
94	**Project Name**	City of Shamokin 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Shamokin
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
95	**Project Name**	City of St. Mary's 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	City of St. Mary's
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
96	**Project Name**	City of Sunbury 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Sunbury
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
97	**Project Name**	City of Titusville 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

	Needs Addressed	
	Funding	:
	Description	City of Titusville
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
98	**Project Name**	City of Uniontown 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Uniontown
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	City of Warren 2018 Entitlement

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99	**Target Area**	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	City of Warren
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
100	**Project Name**	Coal Township 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Coal Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	

	Planned Activities	
101	**Project Name**	Conshohocken Borough 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Conshohocken Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
102	**Project Name**	Dunmore Borough 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Dunmore Borough
	Target Date	

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	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
103	**Project Name**	Limerick Township 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Limerick Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
104	**Project Name**	Logan Township 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:

	Description	Logan Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
105	**Project Name**	Loyalsock Township 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Loyalsock Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
106	**Project Name**	Sandy Township 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	

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	Needs Addressed	
	Funding	:
	Description	Sandy Township
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
107	**Project Name**	Scottdale Borough 2018 Entitlement
	Target Area	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Scottdale Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	Waynesboro Borough 2018 Entitlement

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108	**Target Area**	Pennsylvania Act 179 Formula
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Waynesboro Borough
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	

OMB Control No: 2506-0117 (exp. 07/31/2015)

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

Yes, offers technical assistance to non-entitlement municipalities if they would like to apply for a Section 108 loan from HUD.

Available Grant Amounts

The following are activities that will be considered priorities when allocating limited Section 108 resources

Job Creation - The Federal Section 108 Program Guidelines require a minimum of one permanent full-time job equivalent (FTJE) to be created for every $35,000 of Section 108 loan funds

National Objective - Priority consideration will be given to projects that provide a benefit to low- and moderate-income persons. However, this does not preclude worthwhile projects from being funded under the National Objective of removal of slums and blight.

Infrastructure - This could be related to the redevelopment or reuse of property or in support of an economic development purpose.

Special Economic Development -Financial assistance may be provided for a private for-profit firm under the CDBG guidelines.

Housing -Priority will also be given to proposed projects that involve the rehabilitation of existing housing and/or the construction of housing by non-profit organizations for homeownership. DCED encourages the development of affordable housing for low- and moderate-income home buyers.

Maximum Loan Amounts -The total maximum amount of Section 108 loan financial assistance that an eligible public entity may receive is limited to the following: the amount of a loan that the community's CDBG allocation could support as an annual debt service based on the average amount of the CDBG allocation for the past three (3) years, or $7,000,000, whichever is less. This same maximum applies to both a single public entity or a joint public entity applicant. In the case of a non-entitlement public entity, the maximum amount of all Section 108 loan funds shall not exceed a total of $3,000,000. In the case of an entitlement county which applies on behalf of multiple non-entitlement public entities, the maximum aggregate amount of Section 108 loan assistance may not exceed $7,000,000.

Repayment -It is anticipated that the primary source of repayment of the Section 108 loan amount will be from the projected cash flow as a result of the project, or from other sources of revenue that are pledged specifically for repayment of the Section 108 loan. As a secondary source of repayment, DCED

will require additional security to be pledged for loan repayment. The maximum term of the Section 108 loan shall not exceed twenty (20) years.

Acceptance process of applications

Application Dates - Applications may be submitted at any time for the Pennsylvania Section 108 Loan Guarantee Program. Please contact:

Kristina Powell, DCED
Center for Community and Housing Development
400 North Street, 4th Floor-Commonwealth Keystone Building,
Harrisburg, Pennsylvania 17120-0225.
Phone number: (717) 787-5327 TDD - (717)346-0308

prior to any application submission. DCED will provide assistance to potential applicants to verify that the potential project is eligible for funding. Applications will not be accepted from any candidate without prior review by DCED staff.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

Yes

State's Process and Criteria for approving local government revitalization strategies

DCED will allow its jurisdictions' community revitalization strategies that have been approved by HUD and follow HUD's guidance for state CDBG programs as described in CPD-97-01 (February 4, 1997).

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

Pennsylvania Act 179 prescribes distribution of 85% of its CDBG allocation each year to 28 cities not directly entitled to funding through HUD or who have opted out of HUD's entitlement formula; 50 counties that are not direct HUD entitlement counties; and 122 boroughs, and townships that are greater than 4,000 in population from the latest Census and meet the current UDAG eligibility guidelines. The balance of Pennsylvania's allocation, less 2% set aside for administration under Act 179, is allocated competitively among units of general local government not eligible for funding under the formula distribution, state entitlements having less than 10,000 and allocating at least 70% of their yearly allocation to the said activity, or a not direct HUD entitlement community.

For HOME, DCED has opened the eligible applicants, besides the HOME non-HUD Participating Jurisdictions, for 2018 HOME funding to all of Pennsylvania HOME Participating Jurisdictions that meet one of the following criteria and all other program requirements. These PJs were previously unable to apply for the Commonwealth's funding.

a. Prioritize those Community Housing Development Organization (CHDO) Projects where CHDO Certification has been granted by PA DCED for an award of Pennsylvania's 15% HOME CHDO Set Aside funds by either DCED and or PHFA.
b. Prioritize awards to HOME PJ's whose annual HOME allocation is less than $500,000 based on current year HOME allocation (1 counties and 7 cities) and who also meet DCED's priority consideration of HOME activities as listed in the consolidated plan, action plan and HOME Application kit.
c. Prioritize awards to projects that preserve affordable rental housing through HOME funded rehabilitation.

ESG funds may be used statewide but priority is given to the non-HUD ESG entitlement municipalities first.

HOPWA is also mandated by a required formula which is described in the discussion below.

The CDBG-DR funding is prescribed with where the funding may be spent. Only the 36 counties designated as Presidential Disaster Areas during 2011 are eligible for funding. 80% of funds must be allocated in the five hardest impact counties.

The NSP Recapture program will only allocate funding in areas with current contracts for NSP funding with the state and have completed their existing program and can prove a need for additional funding.

The National Housing Trust Fund will allocate funding based on the PHFA annual QAP. To the greatest extent feasible, the Agency will allocate resources in the following manner: 50% to urban communities

and 50% to suburban/rural communities (as defined in the LIHTC Allocation Plan located at the following link)

http://www.phfa.org/legislation/act105.aspx

Geographic Distribution

Target Area	Percentage of Funds
HOPWA 7 Regional Coalitions non-entitlement	100
Pennsylvania Act 179 Formula	85
Non-HUD CDBG Entitlement Municipalities under 10,000	13
CDBG-DR	100

Table 12 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

CDBG - PA Act 179

HOME - The priority are the Non Entitlements areas of the state, but DCED is opening the program to small PJ's that receive less than $500,000 a year from HUD to be able to allocate of it in a timely manner.

ESG – The preference are the Non Entitlements areas on the BOS CoCs, but some HUD entitlement grantees do receive funding to be able to allocate of it in a timely manner.

CDBG-DR – Presidential Disaster Declaration

HOPWA - See below

Discussion

The Department of Health (DOH), Bureau of Communicable Diseases, Division of HIV Disease will administer the HOPWA Program by allocating the funds on a formula basis to the seven Regional Grantees. Select counties in the South East and South West regions receive separate allocations directly from HUD. Within the North East Region, Pike county receives funding from the New Jersey HUD HOPWA grantee.

The cities of Allentown, Harrisburg and Bensalem Township receive separate allocations directly from HUD because they are designated as Eligible Metropolitan Statistical area (EMSA's). For the current 2018 HOPWA grant year, the Commonwealth of Pennsylvania has been informed by HUD that DOH will serve as the grantee for these EMSA's and will administer these funds moving forward for housing support and related services. Therefore, the funding is included in the overall amount for the HOPWA Program.

The regional Grantees establish Grant agreements or directly disperse funds based on the need for a full range of eligible housing services. Each grantee has prioritized needs for it respective region through a formal process reflective of demographic and epidemiological differences exist within the regions. The formula to allocate these funds is primarily based on the number of persons living with HIV/AIDS in each region. A Regional Grantee list and a map are attached in the Appendix.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	7,950
Non-Homeless	2380
Special-Needs	607
Total	10,937

Table 13 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	5207
The Production of New Units	265
Rehab of Existing Units	830
Acquisition of Existing Units	50
Total	6,352

Table 14 - One Year Goals for Affordable Housing by Support Type

Discussion

The numbers above reflect the numbers associated with Affordable Housing using the ESG, HOME, CDBG, HOPWA and the HTF funding for 2018. These numbers are based on the average yearly benefit in the last five years. Consideration is given for priorities for HOME, the use of Pennsylvania's Prevailing Wage rates and increase in costs of materials and salaries.

The HOPWA Program will provide decent affordable housing to benefit low-income persons living with HIV/AIDS by providing services to a projected 607 households during the 2018 program year. Supportive Services – Case Management will be provided to a projected 200 households with HOPWA funding and the other households will receive case management services through leveraged funding. The DOH estimates, excluding administrative costs, that HOPWA Program funds will be spent as follows: 96 percent for rental assistance and 4 percent for support services.

In 2018, PHFA anticipates providing HTF funds to approximately six developments projects or assisting 40 rental housing units among several properties throughout the Commonwealth based upon applications received and availability of resources.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction

The Commonwealth of Pennsylvania does not manage public housing authorities, as each have their own charter with HUD. However, DCED maintains partnerships with public housing authorities through:

- Presentations at Pennsylvania Association of Housing and Redevelopment Agencies (PAHRA) Conferences on a variety of subjects of programs administered by DCED
- Ensuring adequate representation by public housing authorities on Commonwealth Regional Housing Advisory Boards and encouragement of all PHA's to be active in the Continuum of Care
- Provide to all PHAs a Certification of Consistency with the Comprehensive Plan for their agency plans.

Actions planned during the next year to address the needs to public housing

The Pennsylvania Housing Finance Agency (PHFA) provides funding to housing authorities that desire to undertake bond financing to modernize their public housing units or build new units through the Low-Income Housing Tax Credit Program, HOME allocation, PHARE program (which includes the HTF).

Actions to encourage public housing residents to become more involved in management and participate in homeownership

This is not a responsibility of the Commonwealth.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

If HUD identifies a troubled public housing agency, the Commonwealth will explore options to assist that agency through the PHFA bond financing initiative and other options available to the Commonwealth.

Discussion

Annually, Public Housing Authority (PHA) must apply to DCED for certification that their Agency Plans are consistent with the Commonwealth Consolidated Plan. In order to be found to be consistent with the Commonwealth Consolidated Plan, a Public Housing Authority must demonstrate that one or more of the following activities are included in its agency plan.

- Rehabilitation of the existing public housing stock in a manner that is sensitive to the need for accessibility to and VisitAbility by persons with disabilities.

- Demolition of obsolete public housing units.
- Conversions of underutilized and less marketable public housing units into unit configurations

that is more marketable.

- Development of new lower density public housing that is conducive to neighborhood revitalization.
- Homeownership incentives for public housing residents.
- Resident initiatives, especially those aimed at promoting the economic self-sufficiency of public housing residents.
- Supportive services, especially those that support the aging in place of senior residents.
- Requests for additional Section 8 vouchers from HUD.

The Commonwealth of Pennsylvania has established a policy initiative to expand public awareness of the needs of persons with disabilities and those that are homeless. During the next five years, the State will track the progress of all housing providers in addressing the needs of persons with disabilities and alleviating homelessness.

Starting in the fall of 2015, the Agency Annual Plans and Requests for Compliance with the Comprehensive Plan, besides identifying meeting the goals of Section 504, must also identify how a PHA will be actively participating in the Continuum of Care that covers its service area. In addition, a PHA will be required to describe the actions it is taking to aid in the elimination of homelessness either by setting aside units/vouchers for rapid rehousing and homelessness prevention or through other identified activities. Failure to be so involved may indicate that the PHA is not consistent with the Commonwealth Consolidated Plan and thus not eligible for the certification.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

The Commonwealth is engaged in interagency planning to expand community-based housing opportunities for people with disabilities who are at risk of, or who are currently living in places such as nursing homes, mental health institutions, personal care homes, facilities for people with developmental disabilities, and other forms of congregate residential settings. This planning activity is also directed toward the needs of the homeless or at risk of homelessness, as they face similar issues when finding affordable housing. These individuals face significant barriers to accessing standard housing in the community such as: a lack of affordable accessible housing; difficulties coordinating community-based supportive services; discrimination by public and private landlords due to disabling conditions; and obstacles resulting from criminal histories and insufficient rental histories, often connected to periods of institutionalization and disability. The Commonwealth has a number of organizations within its governmental limitations that deal with the states issues on Homelessness and Special Needs. The organizations setting priorities for the federal funding discussed in this Action Plan are described below. In order to maintain adequate flexibility in responding to local needs which may vary across the state, DCED will not establish sub-priorities by activity types. Even where an applicant's grant proposal addresses DCEDs priorities for ESG funding, it must also demonstrate the intent and capacity to fulfill all program requirements.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

1. **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

DCED through its Balance of State Continuums of Care, have reorganized the governing boards of the CoC which now includes representation of the homeless population on each board. It is hoped through this interaction the Continuums will better assess the needs of the homeless in their regions and incorporate these needs into their own Work Plans, goals and objectives of the CoC and ESG Programs. This connection should also be carried to the Interagency Council on Homelessness which will concern the needs when making policy that affects all of the state's homelessness programs. DCED in 2013 funded one sub-recipient to carry out a Street Outreach activity using ESG funding. It was a successful program and had some inventive activities to reach the homeless. It is hoped through the experience of this agency; a model can be developed, and training provided so other agencies may conduct meaningful Street Outreach and begin bringing these people out of their homelessness and be able to provide them with the proper services to lead them to permanent housing and stability.

2. **Addressing the emergency shelter and transitional housing needs of homeless persons**

DCED will continue to address the needs of the emergency shelters and transitional housing through its Emergency Solutions Grant program. Transitional housing must have received ESG funding during the calendar year of 2010 to be eligible for these funds. No more than 60% of the state's yearly allocation

may be spent for both the street outreach activities and shelter under ESG. Other funding such as the Community Services Block Grant (CSBG) and CDBG may be used to aid emergency shelters.

3. **Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The 16 Continuums of Care across the state of Pennsylvania are the lead organizations who determine the needs of their areas/regions and direct the use of the CoC funding program and coordinate with DCED in the allocation of the Commonwealth's ESG funding. As prescribed by the ESG program regulations, no less than 40% of the state's grant allocation will be allocated to Rapid Rehousing and Homelessness Prevention.

Based on DCED's history of administering the Homelessness Prevention and Rapid Re-Housing (HPRP), DCED saw greater dollars allocated for homelessness prevention than re-housing activities – with approximately one third of HPRP funds used for re-housing activities. Further, the input that DCED has received in designing the Emergency Solutions Grant Program indicates that prevention activities are the greater need, especially in rural areas and smaller communities. This input likely reflects their cultural and demographic characteristics. Though DCED is also sensitive to the request made by previous HUD Secretary Donovan and URISCH to have the majority of the ESG funding be allocated to rapid rehousing.

For all of these reasons, DCED will establish the following priorities for its use of the 2018 allocation of Emergency Solutions Grant funds for Rapid Rehousing and Homelessness Prevention:

•It is critical that certain subpopulations of households who are already homeless receive priority due to their vulnerability. Therefore, DCED will give greater priority to applications for rapid re-housing of those who are chronically homeless, homeless veterans, and/or homeless families and children.

•DCED will seek to use no less than 40% of its allocation of ESG funds for Rapid Rehousing and Homelessness Prevention (excluding administration and HMIS) but reserves the right to adjust this as the need becomes evident. To ensure this goal is met, applicants requesting rapid re-housing funds will receive a priority.

4. **Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from**

public or private agencies that address housing, health, social services, employment, education, or youth needs

The Department of Health, Division of HIV/AIDS allocates HOPWA Housing Program funds to seven Regional Grantees. In turn, the Regional Grantees disperse the funds directly or through sub-grantees (project sponsors) based on need for the full range of eligible activities. The Project Sponsors provide decent affordable housing assistance to low income HIV/AIDS clients through the following activities: tenant based or long-term rental assistance (TBRA); short term rent, mortgage, and utility payments (STRMU); supportive services – case management; permanent housing placement; and project sponsor administrative expenses.

Discussion

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	449
Tenant-based rental assistance	68
Permanent Housing Placement	90
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	607

AP-75 Barriers to affordable housing – 91.320(i)

Introduction

DCED works very closely with its grantees to address barriers to fair housing and promotes efforts for Fair Housing Choice. In 2018 the Commonwealth of Pennsylvania will have updated its Analysis to Impediments to Fair Housing Choice. With this update includes five (5) recommendations to assist the state in eradicating the impediments. They are:

1. Increase Public Awareness of Fair Housing Rights
2. Improve and Better Utilize Financial Assistance for Housing
3. Increase Access to Special Needs Housing
4. Strengthen Linkages between Transportation and Jobs
5. Strengthen Local Zoning Ordinances

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

DCED completed its Analysis of Impediments to Fair Housing Choice (AI) in December 2015. The final draft of the AI was submitted to HUD for comment at the end of December and placed on DCED's website for a 30-day comment period from January 6, 2017 to February 6, 2017. DCED has finalized the document and is waiting for HUD's comments to the AI. A copy of the AI may be found on DCED's website Homepage: http://dced.pa.gov under the Library section.

Two of the recommendations address this action. The first being providing more education to DCED's grantees on fair housing issues and how they can work within their communities to educate the citizens of their rights and the local leaders as to poor planning policies in terms of affordable housing.

DCED requires an annual report of its sub-recipients on the actions the grantees have completed to address the impediments to fair housing in their communities. The results of these reports are part of the annual CAPER. Non-compliance to this requirement will lead to IDIS privileges being halted until the report is completed and the requirements met.

DCED plans to work with its Center for Local Government, which provides courses on planning and zoning. Through workshops provided by the center with local government leaders on Fair Housing and open discussion with groups such as the Pennsylvania Builders, Pennsylvania Housing Authorities and Redevelopment Authorities, County Commissioners, Pennsylvania State Associations of Townships and Borough, and the PA league of Cities, it is anticipated that leaders in the state that are directly involved in the planning processes of development, especially housing will have more concern over policies that are impediments to Fair Housing Choice. A contractor was hired to update the training manual of the

Local Government Services in the fall of 2017. The manual will discuss Fair Housing and the effects on zoning and land use in greater detail than in the past. Training for all zoning officials, local governments, and planning officials is planned for the spring of 2019 with the updated manual.

Discussion

AP-85 Other Actions – 91.320(j)

Introduction

Actions planned to address obstacles to meeting underserved needs

DCED tries to keep their programs as flexible as possible within the regulations of the individual programs to allow the units of local government to decide what are their needs and how best to address them. DCED will continue to provide training on planning so the UGLGs can determine what are their true needs based on demographics and facts and not just assumptions.

With the addition of the National Housing Trust Fund (HTF) to PHFA's arsenal of programs to address the needs of affordable housing, more units can be constructed or rehabilitated throughout the state to meet the needs of the PA citizen. In 2018, PHFA anticipates providing HTF funds to approximately six developments projects or assisting 40 rental housing units among several properties throughout the Commonwealth based upon applications received and availability of resources.

Actions planned to foster and maintain affordable housing

DCED allows all types of housing initiatives if they are eligible and fundable to the respective program and follow the prescribed priorities if necessary, so as to allow the local governments the ability to use housing funding in the manner most conducive to their needs.

With the addition of the National Housing Trust Fund (HTF) to PHFA's arsenal of programs to address the needs of affordable housing, more units can be constructed or rehabilitated throughout the state to meet the needs of the very low- and extremely low-income PA citizen. In 2018, PHFA anticipates providing HTF funds to approximately six developments projects or assisting 40 rental housing units among several properties throughout the Commonwealth based upon applications received and availability of resources.

Actions planned to reduce lead-based paint hazards

DCED will continue to mandate that all sub-recipients of federal funding for housing purposes (rehab, new construction, shelter, etc.) must comply with Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) regulations. All sub-recipients sign a Statement of Assurances with the submission of their application that states they will adhere to the Act's requirements when applicable. In addition, since 2010, sub-recipients must comply with EPA's Renovation, Repair and Painting Rule as enacted in 2008. Adherence to this requirement is monitored for the CDBG and HOME programs, as well as with ESG when funding is being used for shelter renovations or conversions. In addition, any housing unit being chosen by a homeless or at risk of homeless person is required to have a visual lead-based paint inspection done prior to leasing of the unit.

Actions planned to reduce the number of poverty-level families

The Commonwealth of Pennsylvania, through the Pennsylvania Department of Human Services, has

established a state plan for Temporary Assistance to Needy Families (TANF). Rather than develop a separate strategy for the Consolidated Plan, the Commonwealth relies on the TANF state plan as its anti-poverty strategy.

Actions planned to develop institutional structure

DCED will continue to work with the CoCs of the state to encourage shelters and vendors receiving ESG funding to be active participants in the governing process of the Continuum. In turn the Continuum will be the driving force in determining the priorities of the ESG funding, as well as working with the HOME program staff in prioritization of the type of housing units needed throughout the Commonwealth to aid the homeless.

DCED will also continue to train and provide technical assistance to all of its sub-recipients to build capacity to plan for their communities needs and to be able to carry out a compliant program.

Actions planned to enhance coordination between public and private housing and social service agencies

DCED incorporates in their application for the Certification for Consistency to the Consolidated Plan that Public Housing Authorities must request from the state, that the PHA identify their actions to alleviate homelessness and if they are actively participating in the regional CoC.

Discussion

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction

Below, please find the specific requirements for each of the federal funding program affected by this Action Plan, as asked for by HUD. There are additional requirements on each of these programs, so the reader is directed to the respective Guidelines and Application Kits to make sure they are aware of all priorities, requirements, and needed attachments that are required when applying for the program. The guidelines and application kits may be found on http:/dced.pa.gov Choose the Programs and Funding Tab, or http://dced.pa.gov/ library Choose the Federal Resource Library and then the program.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed. *Grantees retain program income for use with their programs.*	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. *All loans are paid to HUD.*	0
3. The amount of surplus funds from urban renewal settlements *Not Applicable*	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan Recaptured *funds are used by other grantees that already have contracts.*	0
5. The amount of income from float-funded activities *Not applicable*	0
Total Program Income:	**0**

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. (2012, 2013, 2014)	78.74%

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HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

   The Pennsylvania Housing Finance Agency is meeting the required match with the use of Low Income Housing Tax Credits, their own local funds, which may include state housing trust fund dollars. Many sub-recipients, though not required also add to their programs through the use of the local PA Act 137, fees attached to the recording of mortgages, PA Keystone Communities funding, local funds and USDA housing rehabilitation funding.

2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

   When HOME funds are used to assist a household in the purchase of a unit, restrictions will be placed on the unit to ensure compliance with the resale and recapture requirements as specified in 24 CFR 92.254(a)(5). Sub-recipients must choose either to recapture HOME funds upon the sale of assisted properties within the affordability period or resale the property to another HOME eligible household. It is a choice of one or the other for the entire program. This decision needs to be in the sub-recipients' application and project guidelines. It also must be stated in the recorded mortgage documents and made clear to the homebuyer before documents are signed at closing. Applicants are directed to the HOME Program Guidelines for an explanation of these actions. DCED's recommended statement on recapture or resale may be found in Appendix A.

3. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

   When HOME funds are used to assist a household in the purchase of a unit, restrictions will be placed on the unit to ensure compliance with the resale and recapture requirements as specified in 24 CFR 92.254(a)(5). Sub-recipients must choose either to recapture HOME funds upon the sale of assisted properties within the affordability period or resale the property to another HOME eligible household. It is a choice of one or the other for the entire program. This decision needs to be in the sub-recipients' application and project guidelines. It also must be stated in the mortgage documents and made clear to the homebuyer before documents are signed at closing. Applicants are directed to the HOME Program Guidelines for an explanation of these actions. DCED's recommended statement on recapture or resale may be found in Appendix A.

4. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required**

that will be used under 24 CFR 92.206(b), are as follows:

There are no plans to use HOME funds in 2018 for refinancing debt secured by multifamily housing.

5. **The Commonwealth will use the HOME affordable homeownership limits for the area of the project, as provided by HUD for all its homebuyer and/or rehabilitation of owner-occupied single-family housing programs.**

   Please refer to Appendix B for the methodology for the use of these limits.

Emergency Solutions Grant (ESG)
Reference 24 CFR 91.320(k)(3)

1. **Include written standards for providing ESG assistance (may include as attachment)**

Sub-recipients of ESG through the Commonwealth's program must develop and implement standard policies and procedures for the determination and verification of an applicant/family's eligibility for assistance under the Emergency Solutions Grant. These standards must evidence how sub-recipients will prioritize which eligible families and individuals will receive ESG assistance.

Minimum Standards:

a. Consistency with the definition of homeless and at-risk homeless as stated in 24 CFR § 576.2 Restrictions: Sub-recipients shall not use the risk factor for homeless allowed under paragraph 576.2 related to "otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness."

b. The record keeping requirements as stated in 24 CFR § 576.500 (b – e) (HUD regulations)

c. Sub-recipients are encouraged to give preference to the chronically homeless, veterans, families with children and youth for both Homelessness Prevention and Rapid Re-housing assistance, to the maximum extent feasible, keeping the family units intact.

***Note: For applicants applying under the Emergency Shelter Component – the age of a child under the age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses ESG funding or services and provides shelter to families with children under age 18. All children under 18 must be considered equally for admission in order to prevent involuntary family separations.

2. **If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.**

The Balance of State Continuums of Care have formalized a coordinated entry assessment system.

East - Connect To Home: Coordinated Entry System of Eastern PA (CES) coordinates and manages access, assessment, prioritization and referral to housing and services for any person(s) experiencing or at imminent risk of homelessness in the following counties: Adams, Bedford, Blair, Bradford, Cambria, Carbon, Centre, Clinton, Columbia, Cumberland, Franklin, Fulton, Huntingdon, Juniata, Lebanon, Lehigh, Lycoming, Mifflin, Monroe, Montour, Northampton, Northumberland, Perry, Pike, Schuylkill, Somerset, Snyder, Sullivan, Susquehanna, Tioga, Union, Wayne and Wyoming.

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Participation in CES is required for all projects funded by HUD Continuum of Care or Emergency Solutions Grants (including those administered by the Commonwealth of Pennsylvania) and strongly encouraged for all other housing and service providers in order to ensure equitable and coordinated access for all.

If you live in the Eastern PA Connect To Home service area and are experiencing homelessness, simply call 2-1-1 or 855-567-5341 toll-free for information, screening and referral.

You can also contact Connect To Home by texting your zip code to 898-211 or by visiting a Connect To Home Access Site in your community where available

West

ACCESS

- A well-designed programmatic entry and/or access system across the geographic region
- Provides complete coverage over the entire geographic area claimed by the CoC
- Linked to local outreach programming
- Inclusive of all subpopulations, including those experiencing chronic homelessness, Veterans, families, youth and survivors of domestic violence
- Removes the delay in accessing emergency services such as shelter and includes a means for individuals to access these emergency services 24 hours per day
- Provides protocols to ensure the safety and confidentiality of individuals seeking assistance, including victims of Domestic Violence
- Ensures Fair and Equal Access to housing for all people located within the CoC's geographic area
- Provides comprehensive marketing of the system to ensure people throughout the CoC's geographical area are aware of the Coordinated Entry System and how to access it

ASSESSMENT

- The use of a standardized assessment tool to assess consumer needs
- Utilizes a person-centered approach
- Incorporates cultural and linguist competencies
- Contains a plan for the CoC to engage in ongoing planning with all stakeholders utilizing the Coordinated Entry process

PRIORITIZATION

- Prioritization of consumers with the longest length of time homeless and most barriers for housing
  opportunities available within the COC

REFERRAL

- Referrals, based on the results of the assessment tools, to ALL homelessness assistance programs
  (and other related programs when appropriate)

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- Provides a referral protocol to ensure that the programs accept all eligible referrals and rejections
  are justified and rare
- Reduce, limit and remove barriers for individuals to access housing or services
- Ensure a housing first approach is used throughout the CoC
- Ensure that the process incorporates the participant's choice

- Capturing and managing data related to assessment and referrals in a Homeless Management
- Information System (HMIS) and utilizing that the information to guide homeless assistance planning
  and systems change

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

DCED only allows units of local government to apply for ESG funding. DCED notifies all contacts that are on its ESG, HOME, and CDBG contact lists when the application round is open. A Notice is also placed in the PA Bulletin. DCED has an evaluation process, which may be viewed in the application packet, and assigns points for the application based on eight different areas. DCED also coordinates the review with the regional CoCs to receive their input on the various programs requesting funding and the agencies participation in the CoC. This coordination will become more formalized once the new CoC governing boards decide on goals and objectives that affect the ESG program.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

DCED is relying on the inclusion of homeless participation on the Balance of State CoC governing boards to begin the dialogue of developing policies and funding decisions that are the most needed by the homeless population.

***5.* Describe performance standards for evaluating ESG.**

DCED, like HUD, recognizes that performance standards will evolve over the next few years as HUD's ESG regulations are implemented and as sub-recipients improve their program outcomes through the evaluation of HMIS data and through integration of ESG-funded services into their local Continuum of Care systems. To assist in the evaluation of the 2018 ESG applications, DCED is continuing to require all applicants to complete a performance measurement of their previous ESG Programs. These measurements will be a portion of the evaluation used to determine the capacity of the sub-recipient in conducting an effective program under the 2018 ESG Program. Similar measurements will be used in future funding proposals for the ESG Program.
Using these goals as a framework, performance standards for ESG will be measured by the following:

- Number of households served
- Street Outreach - Number of households reaching shelter or permanent housing
- Shelter - Number of households entering Rapid Rehousing Program
- Shelter - Number of households attaining permanent housing and remaining in unit for more than 3 months
- Rapid Rehousing - Number of households attaining permanent housing and remaining in unit for more than 3 months
- Homelessness Prevention - Number of households retaining permanent housing and remaining in unit for more than 3 months
- Mainstream Resources - Number of households utilizing additional resources to assist needs
-

*Performance will also be measured by evidence that the sub-recipient has coordinated with the local Continuum of Care (CoC) to ensure that ESG activities are consistent with CoC's strategies and objectives for preventing and ending homelessness. The impact of ESG funds will ultimately be reported by CoCs through Point-in-Time counts and through other data collected by HUD. In addition, sub-recipients are to ensure coordination with other local organizations that are planning and carrying out activities related to prevention, rapid re-housing and to link participants to other mainstream resources.

Discussion

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

The Commonwealth will distribute HTF funds through an application process to eligible recepients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A. Funds will be distributed through the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (Act 105 of 2010) (PHARE). the Commonwealth of Pennsylvania has identified the Pennsylvania Housing Finance Agency (PHFA), as its administrator for the NHTF. PHFA will not fund sub-grantees

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

PHFA will utilize the same process for applicant selection as they have developed for their Low-Income Tax Credit (Tax Credit) program which may be found in the attached Tax Credit Allocation Plan, made part of this plan. HTF funds will only be awarded to projects that meet the guidelines and receive Tax Credits. Additionally, developments must meet the site and neighborhood standards set forth § 93.150.

Furthermore, Applicants must meet the Eligibility and Threshold Criteria set forth in the Tax Credit Allocation Plan which include, but are not limited to, limited displacement of low income residents, commitment to service low income residents for a period of not less than 35 years, Applicant financial capacity to complete the development, provision of specific project amenities such as community rooms, laundry facilities and management offices, VisitAbility, accessibility requirements and Fair Housing Act design standards and energy efficiency goals.

Additionally, Applicants must meet all requirements set forth in § 93.2 to be eligible for funding under the HTF Program. Developments must also meet the property standards set forth in the Tax Credit Allocation Plan and in § 93.301.

Qualified developments must be affordable to tenants whose incomes do not exceed the federal poverty level or whose annual income do not exceed 30% of the median area income for the area, as determined by HUD with adjustment for bedroom size.

Selected developments must follow tenant protection and selection procedures set forth in 24 CFR

93.303.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

PHFA will utilize the same process for applicant selection as they have developed for their Low-Income Tax Credit (Tax Credit) program which may be found in the attached Tax Credit Allocation Plan, made part of this plan.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

HTF funding decisions will be made based on the following criteria, in order of importance:

a. Applicant's ability to enter into a commitment for HTF funds and to undertake eligible activities in a timely manner.

   PHFA will select applicants submitted by eligible recipients as set forth in the Tax Credit Allocation Plan, made part of this plan and § 93.2. Recipients will be evaluated and must demonstrate the following:

   1) make acceptable assurances that it will comply with the requirements of the HTF program during the entire period that begins upon award of HTF funds and ends at the conclusion of all HTF funded activities;

   2) demonstrate the capacity to undertake, comply and manage the eligible activity;

   3) demonstrate familiarity with Federal, State or local affordable housing programs that may be used in conjunction with HTF funds;

   4) demonstrate experience and capacity to conduct the HTF activity as evidenced by its ability to own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development and;

   5) the extent to which the application makes use of non-federal funding sources

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

To the greatest extent feasible, the Agency will allocate resources in the following manner: 50% to urban communities and 50% to suburban/rural communities (as defined in the Tax Credit Allocation Plan)

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

All projects will be reviewed to determine their ability to proceed. This review includes environmental clearances, local zoning process review, identification and commitment of all necessary financing to support the development budget, corporate authorization and formal action by governmental authorities. PHFA will determine ability to proceed and will prioritize funding for applicants who demonstrate commitments and financial feasibility and a timeframe consistent with timely completion of the development and which meet HTF commitment and expenditure deadlines.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

All developments will be evaluated based on the commitment of project based rental housing assistance as part of the overall funding. Projects will be evaluated for committed resources in the form of internal rent subsidy funding to support developments housing extremely low-income tenants and other programs designed to provide direct assistance to targeted income eligible households.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Projects supported with HTF funds will be required to enter into restrictive covenant agreements pledging to maintain the units assisted in the program for a 30-year period from the date the units are placed in service. This restrictive covenant agreement will be recorded in the real estate records of the county where the property is located. PHFA will monitor the projects for compliance through the affordability period.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The merits of the application should meet the Commonwealth's specific housing needs such as those that target supportive housing, senior housing for persons age 62 and above with services, preservation of existing housing, developments which demonstrate community impact and developments in areas of

opportunities.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Leveraging of resources, including non-federal funding sources is a selection criterion in the Tax Credit program and the Agency uses these criteria in its HTF selection criteria.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks.

The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. **Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.**

Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum

per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

PHFA has evaluated current costs of affordable housing units and local market conditions throughout the Commonwealth for the purpose of providing HTF resources and the maximum per unit development award is aligned with Pennsylvania's HOME program limits based on unit type. Therefore, the maximum per unit HTF subsidy will be:

0 BR	1BR	2BR	3BR	4BR
$144,050	$165,134	$200,800	$259,773	$285,148

In 2018, PHFA anticipates providing HTF funds to approximately eight developments projects or assisting 50 rental housing units among several properties throughout the Commonwealth based upon applications received and availability of resources.

8. Rehabilitation Standards.

The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

Eligible activities and project costs for new construction, substantial rehabilitation and preservation of qualified rental housing projects are set forth in §93.200, §93.201 and §93.301 and shall be consistent with the activities, costs and standards set forth in the applicable PHFA Multifamily Program Guidelines which specifically set forth applicable building codes, health and safety deficiency correction protocols, disaster mitigation requirements and Uniform Physical Condition Standards. PHFA's construction standards for new construction and rehabilitation developments are also available at www.phfa.org/mhp/technicalservices.

Furthermore, Applications must specify the eligible activities to which HTF funds will be allocated which may include costs related to wiring the property for broadband infrastructure (re: HUD proposed rule dated May 18, 2016). Additionally, for rehabilitation developments, the useful life of systems must be determined through a capital needs assessment that determines the work to be performed and identifies the long-term physical needs of the project. If the remaining useful life of one or more major

system is less than the 30 year period of affordability, the systems(s) must be either included in the scope of work or a replacement reserve must be established and monthly deposits made to the reserve account to adequately repair or replace the systems as needed. Specific guidance on PHFA's capital needs assessment requirements can be found at:

http://www.phfa.org/forms/multifamily_application_guidelines/submission/tab_34/tab_34.pdf

9. Resale or Recapture Guidelines.

Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

10. HTF Affordable Homeownership Limits.

If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

11. **Refinancing of Existing Debt.**

Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A." N/A

Discussion:

APPENDICES

Appendix A

Grantee Unique Appendices

RESALE/RECAPTURE

The Commonwealth of Pennsylvania receives an annual allocation of HOME Investment Partnership Program (HOME) funding from the US Department of Housing and Urban Development Department (HUD) as a designated participating jurisdiction. Through the Department of Community and Economic Development (DCED), the Commonwealth of Pennsylvania facilitates the development and preservation of affordable housing. HOME funds are distributed through an annual competitive application process. Each community making application for funding under the HOME program is required to determine and make known in their application, whether a resale or recapture provision is utilized based on the needs of the community. At application, DCED will evaluate the terms of the provision identified to ensure compliance with neighborhood standards, housing market analysis and the expectations detailed below. Grantees must select to enforce either a Recapture or Resale provision that meets the requirements established in 24 CFR 92.254(a)(5)(i) and (ii).

RECAPTURE PROVISIONS

Grantees selecting to RECAPTURE HOME funds in the event of sale within the HOME affordability period will follow the guidance noted here. The Recapture provision permits the HOME-assisted homebuyer to sell their unit at any time during the period of affordability, to any willing buyer, and at the price the market will bear. The Grantee imposes recapture provisions by written agreement and by recorded lien. In the event of a voluntary or involuntary sale during the period of affordability, the grantee must recapture the HOME net proceeds specified under its recapture provisions. Net proceed is defined as the sale price minus loan repayment and closing costs.

The HOME investment amount may be reduced on a pro-rata basis on the length of time the homeowner has owned and occupied the unit measured against the required affordability period. If the net proceeds are not sufficient to recapture the full (or a pro-rata amount) HOME investment plus enable the homeowner to recover the amount of the homeowner's down payment and any capital improvement investment, the recapture provision may allow the net proceeds to be shared proportionally.

The HOME investment subject to recapture is the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. It includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy).

If no HOME funds are subject to recapture or resale, the restrictions apply for the period of affordability. All HOME assistance, whether a direct subsidy to the homebuyer or a construction or development subsidy, is subject to consideration for the purposes of determining the affordability term.

Grantee will identify its method of recapture in their competitive application and maintain a written process in its program files. One of the following models may be used:

a. Grantee recaptures entire amount;
b. Pro rata reduction of recapture amount during affordability period
c. Owner recovers entire investment (down payment and capital improvements) before grantee recaptures HOME investment;
d. Shared net proceeds in event of insufficient net proceeds; or

e. PJ developed or modified provisions.

RESALE RESTRICTIONS

Resale provisions preserve the affordability and availability of the HOME-assisted homebuyer unit to low-income households for the entire period of affordability. In an effort to make the property affordable to a reasonable range of low-income homebuyers, the Grantee controls the resale price by establishing an objective methodology for determining a fair return to the original homebuyer. If the established resale price is not affordable to the subsequent low-income homebuyer, the Grantee may be required to provide additional assistance to that homebuyer but may not adjust the sale price as a result.

The unit must be made available for subsequent purchase only to a low income family that will use the property as its principal residence. The owner will receive a fair return on investment, including any improvements.

Fair Return on Investment

If the unit is sold during the affordability period, the grantee shall guarantee that the price at resale provides the original HOME-assisted buyer a fair return on investment (including the original homebuyer's initial investment and any capital improvements). The value of capital improvements is defined for these purposes as the actual, documented costs of permanent structural improvements or the restoration of some aspect of a property that either will enhance the property value or will increase the useful life of the property. Capital improvements are generally non-recurring expenses such as the cost of an addition, a remodel, or a new roof. Repairs and general maintenance are not considered capital improvements. To be considered, the actual costs of the capital improvement must be documented with receipts, cancelled checks or other documents acceptable to the grantee and DCED.

A fair return on investment will be considered achieved when the original homebuyer (now the seller) receives from the sale a percentage return on investment based on the change in the Median Sale Price for the Metropolitan Statistical Area, as published periodically by HUD with the FHA Mortgage Limits (also known as the "203(b) limits.)"

$$\text{Fair Return} = (\text{Initial Investment} + \text{Value of Improvements}) \times \frac{\text{Median Sale Price (current)}}{\text{Median Sale Price (initial)}}$$

The fair return to the homebuyer is paid out of proceeds from the sale of the home; if the home is sold at a loss and no proceeds are available, the homeowner shall not be entitled to any return. If proceeds are insufficient to provide the full amount of the calculated fair return, the homeowner shall receive a return only up to the amount of available proceeds.

Continued Affordability

In addition to ensuring that the HOME-assisted homebuyer receives a fair return on his or her investment, the grantee's resale provisions shall ensure that the housing under a resale provision will remain affordable to a reasonable range of low-income homebuyers. Accordingly, the grantee shall ensure that the sales price of a home resold under the resale provisions is within the maximum mortgage capacity of a target population of potential buyers with incomes ranging from 50% to 80% of the Area Median Income (AMI). More specifically, the grantee defines "affordable to a reasonable range of low-income homebuyers" as housing with a sales price not exceeding three times the low-income limit (80% AMI) for

the Metropolitan Statistical Area corresponding to a household size equivalent to the number of bedrooms in the home.

Presumption of Affordability

DCED will not accept presumption of affordability in place of income based determination of eligibility for the resale requirement.

Housing Market Analysis

The housing market in Pennsylvania varies significantly by region. While the Commonwealth fared comparatively better than its neighboring states in terms of foreclosures during the housing crisis of 2008-2009, housing markets have not returned to a normal state of operation. According to RealtyTrac, Pennsylvania has an average foreclosure rate of 0.08%, lower than the national average of 0.09%.

The need for affordable housing has not been met by the existing housing market. . The communities with the greatest problems continue to be the same high growth areas that show significant affordability problems. In general, these areas are in counties that border New Jersey, Eastern New York and Eastern Maryland.

Given the extensive geographic area of the Commonwealth, DCED instructs its grantees to assess and analyze local housing markets in developing project applications. DCED prioritizes projects that are targeted for middle markets (also known as transitional neighborhoods), officially designated redevelopment areas, and locations that meet a strategic need.

Pennsylvania also has an older housing stock on average compared to the nation as a whole. Based on 2012 ACS data, 50% of Pennsylvania's occupied housing stock was built prior to 1940; over 70 years old. Only 31% of the entire U.S. occupied housing stock was built prior to 1940.

APPENDIX C

Program Income Policy
CDBG Policy Directive CM-01-2017
May 2017

In an effort to streamline management and reporting of Program Income generated as a result of an investment of Community Development Block Grant funds granted through the Commonwealth of Pennsylvania program, the guidelines that follow shall become effective for **Program Income receipted** or **non-Program Income received** after January 1, 2017. For the purposes of these new guidelines, DCED has put into place the following definitions of Program Income, non-Program Income and procedures for reporting, tracking and use of the funds. Grantees with questions about the use of Program Income or non-Program Income should contact their grant manager or compliance specialist.

DEFINITIONS–

Program Income (PI) - gross income received by the unit of general local government or sub-grantee of the unit of general local government that was generated from the use of Community Development Block Grant (CDBG) funds, regardless of when the CDBG funds were appropriated and whether the activity has been closed out. Program Income is the total amount of funds, which equals or exceeds $35,000.00 received in a single year from activities, other than revolving loan funds, that is retained by a unit of general local government and its subgrantees (all funds received from revolving loan funds are considered program income, regardless of amount).

This definition is more specifically defined in the State CDBG regulations found at 24 CFR 570.489 (e) and included for reference at the end of this policy directive. Under this policy, DCED permits units of general local government grantees to retain program income earned in a designated CDBG local account maintained at the unit of general local government. Income earned by sub-grantees of the unit of local government shall remit such income to the unit of general local government.

Program Income shall be treated as additional CDBG funds and is subject to all applicable requirements of CDBG, regardless of whether the activity that generated the program income has been closed out.

Non-program income – DCED will consider income received up to $35,000.00 by the unit of general local government or sub-grantee that **does not** meet the definition of Program Income above as "non-program income."

This is more specifically defined in the State CDBG regulations found at 24 CFR 570.489 (e) (2) and included for reference at the end of this policy directive. DCED will allow grantees to retain non-program income that meets this category. Grantees must report on such income quarterly as detailed in Reporting and Receipting Income Procedures below.

Once the annual total (January 1-December 31) of **all** income earned equals or exceeds $35,000, the entire amount shall be receipted and treated as program income and required to follow all applicable requirements of CDBG.

APPENDIX C

CDBG Local Account - is the financial account held by the unit of local government that is interest-bearing and where CDBG deposits from the US Treasury are made. This account must be maintained and tracked with a separate ledger than that of the municipal general fund.

Anticipated PI definition – income generated as a result of a planned activity and investment of CDBG funds with a structured or known repayment schedule (excluding payments made to a revolving loan account).

Unanticipated PI definition – unplanned income generated as a result of CDBG investment without a planned or known repayment schedule. (An example may be sale of a property that was encumbered with a municipal lien as a result of a CDBG investment.)

CASH MANAGEMENT

Program Income: Grantees must notify DCED of the receipt of program income as defined above and provide the proper documentation necessary to demonstrate its receipt for tracking in IDIS no less than monthly, as detailed below. Grantees must expend program income prior to the request of additional grant funds from the US Treasury. Grantees shall have in place a cash management procedure to ensure that minimal time elapses between the transfer of funds from the US Treasury and disbursement by grantees and subgrantees whenever advance payment procedures are used.

Non Program Income: Grantees must establish reasonable procedures to ensure the receipt of non-program income generated by CDBG investment is deposited to a local account established by the unit of local government and maintained separately of the CDBG account and/or revolving fund accounts as detailed in 24 CFR 570.489(e)(3)(ii)(A) and (B). **At the point when the $35,000 annual threshold is met all non-program income should be transferred to the CDBG local account and recorded as program income and receipted following the procedures detailed below in the Reporting and Receipting procedures.**

*Please note: until income earned takes on the identity of program income ($35,000 annual earned income), grantees will not be required to expend these funds before a draw of funds from the US Treasury.

Interest Earned – Interest earned on federal funds must be treated in accordance with the rules defined by §200.305 of the Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Annually the total of all interest earned exceeding $500.00 from ***ALL*** federal sources shall be remitted to the Department of Health and Human Services Payment Management System. Instructions for payment may be found at 2 CFR 200.305(b)(9). Interest earned on ALL federal funds that is less than $500.00 may be transferred to the unit of general local government's general fund.

APPENDIX C

All interest earned must be reported quarterly (see below in Reporting and Receipting Procedures). This guidance takes the place of prior DCED guidance on the treatment of interest earned.

REPORTING AND RECEIPTING PROCEDURES

Program reporting year shall be designated as the program year, January 1 through December 31, regardless of when or which contract the CDBG funds were appropriated from that generated the income or whether or not that activity has been closed out.

Grantees shall report quarterly on all income earned as a result of CDBG activity using the DCED report "Additional Fund Receipt Report" (CMT 154). The report will include earnings in the quarter of non-program income ($0.01-$34,999.99), program income (amounts $35,000 and greater), interest, and funds retained in an approved revolving account.

DCED Form– CMT-154 is attached to this policy and may be found in the Federal Resource Library: http//:dced.pa.gov/library/Federal Programs Resource Library/Annual Reports.

Reports shall be submitted as described on the Annual Reporting Schedule, no later than the 10th calendar day following the end of each calendar quarter. The CMT-154 will record the amount of income earned during the quarter, as well as the cumulative amount to date for the program year. The final report for the program year is due in January of the following year. Failure to remit quarterly income reports may result in a hold or denial of invoices submitted for approval

Once the cumulative total of non-program income earned equals or exceeds $35,000, the entire amount (including funds earned up to $35,000) shall be considered program income and shall be receipted and treated as program income.

Grantees are required to receipt program income ($35,000.00 +) in IDIS at least monthly. Pursuant to 24 CFR 570.489(e)(3)(ii)(C), program income is to be disbursed ahead of grant funds and must be used before requesting additional funds from the US Treasury through IDIS. Because the functionality of IDIS does not allow grantees to receipt program income retained in their local account, grantees shall provide to DCED appropriate documentation to receipt program income on its behalf.

Documentation submitted to receipt CDBG PI shall include, but is not limited to:

a. Subgrantee name
b. Source IDIS Activity number or grantee program equivalent activity identification; of the activity generating the program income when an activity was set up prior to the implementation of IDIS,
c. Date of receipt as identified by the financial institution and/or grantee local account ledger, dollar amount of deposit and evidence of the payment of funds to the local account (i.e. a cancelled check(s), copy of deposit slip(s), and/or bank ledger.)
d. Grantees must identify if administration dollars will be allocated from the deposit of program income at the time of program income receipt submission taking consideration not to exceed

the program administrative maximum requirement as identified in Federal Register Notice 5797-I-01.

The Federal Program Receipt Collection Form (DCED-CMT-153 used to receipt program income into IDIS is attached to this policy and may be found in the Federal Resource Library: http//:dced.pa.gov/library Federal Programs Resource Library/IDIS & Invoicing. All supporting documentation must be no more than 90 days old.

DCED expects records to be maintained of any and all income earned as a result of CDBG investment to be retained for monitoring and compliance in accordance with 2 CFR 200.336 and 2 CFR 200.337.

Income Reuse Policy– All grantees shall put in place a local Income Reuse Policy that addresses program income, non-program income, interest earned on Federal Funds and CDBG revolving loans as part of their administrative policies and procedures in the event such income is realized. The policy shall address how the income generated will be reported, receipted and reused pursuant to the requirements of this DCED policy.

PROGRAM INCOME PROCEDURES

CDBG Program Income earned when a grantee has an open CDBG contract - Program income should be deposited and receipted into the local CDBG bank account of the unit of local government. The unit of local government is permitted to use the program income on activities in their municipality following their Income Reuse Policy and in accordance with the special conditions and appendixes of the latest CDBG award.

OBO Contracts – Effective upon the issuance of this guidance, program income and non-program income earned by a unit of general local government that no longer directly administers CDBG funds must transfer the program income and non-program income earned to the County administering "on behalf of" (OBO) the unit of general local government. Program income shall be deposited into the county local account to be used for activities on behalf of the OBO municipality. The county's reportable annual (program) income shall be reported as the aggregate of all income earned by the county and its OBOs during the reporting year. The County will be responsible for development of the Income Reuse Policy, all quarterly and annual reporting of income, and monitoring requirements. Refer to the OBO agreement between the County and the OBO for the administration and use of non-program income.

CDBG Program Income earned when a state grant recipient becomes a HUD Direct Entitlement – If the unit of general local government ceases to be an Act 179 recipient due to an increase in population thus being eligible for CDBG funds as a HUD direct entitlement, program income should be reported under the newly awarded direct entitlement contract regardless if the program income was generated from an activity originating from a Pennsylvania subgrantee contract. In accordance with HUD CPD Notice 04-11, all program income awarded after the date the grantee becomes a HUD direct entitlement would be reported as program income under the HUD direct entitlement contract and follow the CDBG HUD direct entitlement regulations and not that of the state. The HUD direct entitlement should report the

funds in IDIS as program income on their own annual Consolidated Annual Performance and Evaluation Report (CAPER).

CDBG Program Income earned when a grantee no longer has an open CDBG contract - Program income should be deposited and receipted into the local CDBG bank account of the County. The County is permitted to use the program income on activities in the County following their Income Reuse policy and in accordance with the special conditions and appendixes of the latest CDBG award.

Administration Expenses Charged to Program Income – As conveyed in Federal Register Notice 5797-I-01 detailing total allowable administrative expenditures per federal allocation, effective December 14, 2015, DCED may allow grantees to charge eligible administrative expenses to program income earned**, HOWEVER** grantees must request authorization in advance of using program income for administrative expenses. As FR Notice 597-I-01 limits the total administrative funds allowed to be charged per year to 20% of the total state allocation, regardless of PI earned, thus limiting DCED's ability to allow grantees to unilaterally use PI for administrative costs.

Revolving Funds – DCED may permit grantees to establish a revolving fund to carry out specific, identified activities. Grantees shall seek DCED approval before establishing a new revolving fund. Such approval shall be detailed in the grantee's annual application submission. A revolving fund, for this purpose, is a separate fund established to carry out specific activities which generate payments to the fund for use in carrying out such activities. A revolving fund must be set up in a separate account, independent of other income or the CDBG program funds. Payments made to the revolving fund are program income and must be substantially disbursed for the purpose for which it was established (ex. Housing rehab revolving fund) before additional grant funds are drawn for the specific activity. Revolving funds must follow the rules of 570.489(f) and activities funded through the revolving fund must meet all CDBG eligibility requirements. Grantees shall report on the receipt and expenditure of revolving funds, not less than quarterly, in the above referenced income report.

Monitoring – DCED shall monitor tracking, use of program income and revolving funds, and submission of interest over $500.00 during regular monitoring visits. A record of cash management procedures followed by the grantee will be reviewed and tested as it relates to cash on hand and program income earned and expended.

APPENDIX C

Regulatory References

Act 179 – Pennsylvania State CDBG Entitlement Program as created by the Pennsylvania State Act 179 of 1984 Community Development Block Grant Entitlement Program for nonurban counties and certain other municipalities.

24 CFR 570.489(e)

Program income -

(1) For the purposes of this subpart, "program income" is defined as gross income received by a state, a unit of general local government, or a subgrantee of the unit of general local government that was generated from the use of CDBG funds, regardless of when the CDBG funds were appropriated and whether the activity has been closed out, except as provided in paragraph (e)(2) of this section. When income is generated by an activity that is only partially assisted with CDBG funds, the income must be prorated to reflect the percentage of CDBG funds used (e.g., a single loan supported by CDBG funds and other funds; or a single parcel of land purchased with CDBG funds and other funds). Program income includes, but is not limited to, the following:

(i) Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG funds, except as provided in paragraph (e)(2)(v) of this section;

(ii) Proceeds from the disposition of equipment purchased with CDBG funds;

(iii) Gross income from the use or rental of real or personal property acquired by the unit of general local government or subgrantee of the unit of general local government with CDBG funds, less the costs incidental to the generation of the income;

(iv) Gross income from the use or rental of real property, owned by the unit of general local government or other entity carrying out a CDBG activity that was constructed or improved with CDBG funds, less the costs incidental to the generation of the income;

(v) Payments of principal and interest on loans made using CDBG funds, except as provided in paragraph (e)(2)(iii) of this section;

(vi) Proceeds from the sale of loans made with CDBG funds, less reasonable legal and other costs incurred in the course of such sale that are not otherwise eligible costs under sections 105(a)(13) or 106(d)(3)(A) of the Act;

(vii) Proceeds from the sale of obligations secured by loans made with CDBG funds, less reasonable legal and other costs incurred in the course of such sale that are not otherwise eligible costs under sections 105(a)(13) or 106(d)(3)(A) of the Act;

(viii) Interest earned on funds held in a revolving fund account;

(ix) Interest earned on program income pending disposition of the income;

(x) Funds collected through special assessments made against nonresidential properties and properties owned and occupied by households not of low and moderate income, if the special assessments are used to recover all or part of the CDBG portion of a public improvement; and

(xi) Gross income paid to a unit of general local government or subgrantee of the unit of general local government from the ownership interest in a for-profit entity acquired in return for the provision of CDBG assistance.

(2) “Program income” does not include the following:

(i) The total amount of funds, which does not exceed $35,000 received in a single year from activities, other than revolving loan funds that is retained by a unit of general local government and its subgrantees (all funds received from revolving loan funds are considered program income, regardless of amount);

(ii) Amounts generated by activities eligible under section 105(a)(15) of the Act and carried out by an entity under the authority of section 105(a)(15) of the Act;

(iii) Payments of principal and interest made by a subgrantee carrying out a CDBG activity for a unit of general local government, toward a loan from the local government to the subgrantee, to the extent that program income received by the subgrantee is used for such payments;

(iv) The following classes of interest, which must be remitted to HUD for transmittal to the Department of the Treasury, and will not be reallocated under section 106(c) or (d) of the Act:

(A) Interest income from loans or other forms of assistance provided with CDBG funds that are used for activities determined by HUD to be not eligible under § 570.482 or section 105(a) of the Act, to fail to meet a national objective in accordance with the requirements of § 570.483, or to fail substantially to meet any other requirement of this subpart or the Act;

(B) Interest income from deposits of amounts reimbursed to a state's CDBG program account prior to the state's disbursement of the reimbursed funds for eligible purposes; and

(C) Interest income received by units of general local government on deposits of grant funds before disbursement of the funds for activities, except that the unit of general local government may keep interest payments of up to $100 per year for administrative expenses otherwise permitted to be paid with CDBG funds.

(v) Proceeds from the sale of real property purchased or improved with CDBG funds, if the proceeds are received more than 5 years after expiration of the grant agreement between the state and the unit of general local government.

24 CFR 570.489(f)

Revolving funds –

(1) The state may permit units of general local government to establish revolving funds to carry out specific, identified activities. A revolving fund, for this purpose, is a separate fund (with a set of accounts that are independent of other program accounts) established to carry out specific activities which, in turn, generate payments to the fund for use in carrying out such activities. These payments to the revolving fund are program income and must be substantially disbursed from the revolving fund before additional grant funds are drawn from the Treasury for revolving fund activities. Such program income is not required to be disbursed for non-revolving fund activities.

(2) The state may establish one or more state revolving funds to distribute grants to units of general local government throughout a state or a region of the state to carry out specific, identified activities. A revolving fund, for this purpose, is a separate fund (with a set of accounts that are independent of other program accounts) established to fund grants to units of general local government to carry out specific activities which, in turn, generate payments to the fund for additional grants to units of general local

government to carry out such activities. Program income in the revolving fund must be disbursed from the fund before additional grant funds are drawn from the Treasury for payments to units of general local government which could be funded from the revolving fund.

(3) A revolving fund established by either the State or unit of general local government shall not be directly funded or capitalized with grant funds.

APPENDIX D

CITIZEN COMMENTS

NOTICES

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

2018 Annual Action Plan; Regional Housing Advisory Committee Meetings

[47 Pa.B. 5957]
[Saturday, September 23, 2017]

The Department of Community and Economic Development (Department) is preparing the Commonwealth's 2018 Annual Action Plan (Plan). As part of the planning process, the Department conducts meetings across this Commonwealth to discuss regional issues for housing, homelessness and community development programs that may affect the method of distribution of the Federal programs it administers with Fiscal Year 2018 funding. The United States Housing and Urban Development funding programs covered by the Plan and administered by the Department are the Community Development Block Grant (CDBG), the HOME Investment Partnerships, the Emergency Solutions Grant, CDBG Disaster Recovery and Neighborhood Stabilization programs. The Department of Health administers the Housing Opportunities for Persons with AIDS program and the Housing Finance Agency administers the National Housing Trust Fund. Both of these programs are also covered by the Plan.

Regional Housing Advisory Committee (RHAC) Meetings

The RHAC meetings are open to the public and will take place electronically by a webinar or onsite at the Department of Community and Economic Development, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225 on the specified dates and times.

Topic: Lehigh Valley
Date: Monday, September 25, 2017
Time: 1:30 p.m.

To register for this session go to https://copa.webex.com/copa/k2/j.php?MTID=t3dbaa5f8eff91fdf54b935dc764dca9a and register. Once approved by the host, a confirmation e-mail will be sent

with instructions for joining the session. Note: If individuals are already registered for this session, there is no need to register again.

Topic: Northeast
Date: Wednesday, September 27, 2017
Time: 1:30 p.m.

To register for this session go to https://copa.webex.com/copa/k2/j.php?MTID=t7a75c8899d107352dfe6790762c2fdf5 and register. Once approved by the host, a confirmation e-mail will be sent with instructions for joining the session. To view in other time zones or languages, click on https://copa.webex.com/copa/k2/j.php?MTID=t241eb04799fc4c15c259fad47936084e.

Topic: Central
Date: Monday, October 2, 2017
Time: 10 a.m.

To register for this session go to https://copa.webex.com/copa/k2/j.php?MTID=t1bb86e58adf87927b66146b5e328060b and register. Once approved by the host, a confirmation e-mail will be sent with instructions for joining the session. To view in other time zones or languages, click on https://copa.webex.com/copa/k2/j.php?MTID=t3b0cf31ec67aa1113b5d245d97e2465f.

Topic: Southwest
Date: Monday, October 2, 2017
Time: 1:30 p.m.

To register for this session go to https://copa.webex.com/copa/k2/j.php?MTID=t9559ce2c4e06d6ae615e429f39b65c0d and register. Once approved by the host, a confirmation e-mail will be sent with instructions for joining the session. To view in other time zones or languages, click on https://copa.webex.com/copa/k2/j.php?MTID=tae53ab019cb96a525aec3ac7b7c7c9cf.

Topic: Southeast
Date: Tuesday, October 3, 2017
Time: 1:30 p.m.

To register for this session go to https://copa.webex.com/copa/k2/j.php?MTID=ta234962e45673fb37d38f2129877d159 and register. Once approved by the host, a confirmation e-mail will be sent

with instructions for joining the session. To view in other time zones or languages, click on https://copa.webex.com/copa/k2/j.php?MTID=tf0a83fe890d62389dd0b1b44afeda983.

Topic: Northwest
Date: Wednesday, October 4, 2017
Time: 10 a.m.

To register for this session go to https://copa.webex.com/copa/k2/j.php?MTID=tee501ab38ea09bec190102a95a92a0a7 and register. Once approved by the host, a confirmation e-mail will be sent with instructions for joining the session. To view in other time zones or languages, click on https://copa.webex.com/copa/k2/j.php?MTID=tbe43dd1b746c870afab8e469076d270e.

For assistance with any of the previously listed sessions, contact Jon Cherry at jcherry@pa.gov.

Comments will be accepted about topics related to the needs of this Commonwealth in the following areas: community development; housing; homelessness; economic development; and any changes to the method of distribution of the existing Federal programs. The Department will also summarize the 2016 Program Year achievements in meeting the Commonwealth's goals for the Federal funding during these sessions. The Commonwealth encourages public participation in this process.

Persons who have a disability or has limited English proficiency needing additional assistance and wish to participate in a meeting should contact Megan Snyder, Department of Community and Economic Development, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225, (717) 720-7404, TDD (717) 346-0308, megsnyder@pa.gov at a minimum of 72 hours prior to the hearing to discuss how the Department can accommodate their needs.

DENNIS M. DAVIN,
Secretary

[Pa.B. Doc. No. 17-1581. Filed for public inspection September 22, 2017, 9:00 a.m.]

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webmaster@PaBulletin.com

NOTICES

Pennsylvania Housing Advisory Committee Meeting

[47 Pa.B. 6382]
[Saturday, October 14, 2017]

The Pennsylvania Housing Advisory Committee (Committee) will meet on October 30, 2017, from 1:30 p.m. to 3:30 p.m. in the Housing Finance Agency Board Room, 211 North Front Street, Harrisburg, PA 17101. The Committee is responsible for reviewing Statewide housing, community development and support services, needs and priorities, as well as advising the Department of Community and Economic Development (Department) in the preparation of the Commonwealth Consolidated Plan, annual action plans and the coordination of Federal, State and local resources to manage the implementation of these plans.

As part of the planning process for the 2018 Action Plan of the Consolidated Plan for 2014—2018, the Committee will be meeting in an open forum to discuss the needs of this Commonwealth in terms of housing including special needs, community development, homelessness and economic development. Reports from the six Department regions will be presented on the needs in their respective areas of this Commonwealth. There will also be a presentation of the performance of the 2016 Program Year for the Community Development Block Grant (CDBG), the HOME Investment Partnerships, the Emergency Solutions Grant, CDBG Disaster Recovery, Neighborhood Stabilization Program and Housing Opportunities for Persons with AIDS programs.

Anyone who wishes to attend the Committee meeting must register in advance. Contact Megan Snyder at (717) 720-7404 or TDD (717) 346-0308 to receive information on attending the meetings at least 72 hours prior to the meeting date. There will be WebX capability to attend the meeting remotely so registration is required.

Individuals can register for this meeting at https://copa.webex.com/copa/k2/j.php?MTID=tfed1989203ffb492ec9474bdbfdf5f40. Once approved by the host, a confirmation e-mail will be sent with instructions for joining the session.

Persons with a disability or limited English proficiency who wish to attend the Committee meeting and require an auxiliary aid, service or other accommodation to participate should contact Megan Snyder, Department of Community and

Economic Development, Center for Community Financing, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225, (717) 720-7404 or TDD (717) 346-0308, at a minimum of 72 hours before the meeting to discuss how the Department may best accommodate their needs.

DENNIS M. DAVIN,
Secretary

[Pa.B. Doc. No. 17-1693. Filed for public inspection October 13, 2017, 9:00 a.m.]

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Comments from RHAC, PHAC and 1st Public Hearing
2018 Annual Action Plan
For Consideration

Public Infrastructure and Facilities – (CDBG, CDBG Competitive & CDBG-DR)

- Transportation problems in the rural areas into employment areas.
- Existing transportation systems not working in the rural areas. Need more discussions with PennDot on how to address how to get low-income persons to the work opportunity. Referenced the old "Wheels to Work" program.

Housing – (HOME, CDBG, CDBG-DR & NSP)

- Greater need for affordable housing for current nursing home or hospital bed patients who don't need to be in that type of facility**.** Coordination with PHFA, DCED, DHS and DOH to address these issues.
- New construction for owner occupied housing. Discussion on how this is being handled under HOME. Please include in 2018 HOME activities.
- There's a lack of Affordable units – there's Rapid rehousing funds available just no suitable units. They are either too expensive or being converted to luxury condos. Many affordable multi-units are being converted or the quality of the unit is not standard. Average rent on a good quality, 2-bedroom unit is $930.00.
- Waiting lists for supportive housing – one agency has 538 households waiting for assistance.
- The Weatherization Pilot program under HOME doesn't cover the entire state. Needs to be expanded as a way to reduce energy costs and help people afford their homes.
- Housing rehabilitation has come to a standstill because of the prevailing wage decision. Lost contractors. Over 100 hoes on the waiting list but no one who wants to do the renovations.
- Affordable Housing that is not blighted and aged.
- Housing assistance for larger, affordable units for larger families
- Package for Disaster Recovery especially with housing repair and replacement. Need to move quicker to assist people with their recovery needs.
- Safe, affordable, decent housing. Need housing away from infestation, drug activity, and structural conditions.
- With ESG no longer prioritizing shelter funding, where do the homeless go if there's no affordable housing available.
- Need to analysis the barriers to good housing programs and address them first.
- New construction for owner occupied housing. Discussion on how this is being handled under HOME. Please include in 2018 HOME activities.
- Respite care – the money should follow the person who needs the care. Some people are in institutions because there is nowhere else to house them.
- Emergency Rehabilitation Program – Bringing the house up to code is too much, when all that is needed is a furnace, roof, or porch roof. Hard to help people when not doing a program in that area.
- Large need for housing for seniors that need services to stay in their homes especially rentals.

- Gap for folks that need 24/7 but not need a nursing home or hospital. Need a set aside for services for folks that need affordable, accessible housing.
- Housing Searches – need funds allocated to get persons into units once they are found. Items such as security deposits, moving, utilities deposits, - "Shallow Subsidies"

Public Services – (ESG & CDBG)

- Also, the time it takes to get a diagnosis for someone who needs supportive services, to determine what is needed, may leave a person homeless for a few days if funding doesn't continue for shelters.
- Need Rapid rehousing proto-type for youth homelessness
- The CoC would like to have better Coordination of services amongst state agencies to ease their administrative burden. Some suggestions are:
    - The ESG Delivery system is too cumbersome
    - Would like to see a Youth Initiative
    - Interagency Council up and running again
    - Funding for 18-24-year olds – gaps in service
    - Families and couples are being split up to access shelters
- Would like to see better coordination between ESG and PHARE
- Need for resources for assessment centers to determine special services
- With ESG no longer prioritizing shelter funding, where do the homeless go if there's no affordable housing available.
- Respite care – the money should follow the person who needs the care. Some people are in institutions because there is nowhere else to house them.
- Large need for housing for seniors that need services to stay in their homes especially rentals.
- Housing Searches – need funds allocated to get persons into units once they are found. Items such as security deposits, moving, utilities deposits, - "Shallow Subsidies"
- Coordination of services that are provided. Every county has different services and resources, which make it difficult for any agency or regional locator service to establish programs or locate persons where they may want to go.
- Keeping the shelters that already exist. This is critical to keep them in place and viable. There is a need for places for short stays will benefits and units are determined.
- Rich Kisner recommended people to check out the Lehigh Valley Survey on their programs using the 211 systems. Good model for addressing homelessness

Other – Compliance & Regulations

- Lehigh County Planning Commission has just completed an Assessment of Model Ordinances for Fair Housing. Will be using this with local elected officials to discuss Fair Housing issues in their communities.
- Encouragement for people to move back into the region. Keeps losing population
- Administration allotment (18%) isn't enough to hire additional staff personnel. Reporting has become too burdensome.

NOTICES

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

2018 Annual Action Plan Public Hearing

[47 Pa.B. 6381]
[Saturday, October 14, 2017]

The Department of Community and Economic Development (Department) is preparing the Commonwealth's 2018 Annual Action Plan of the Consolidated Plan for 2014—2018 (Plan). The Plan is a document submitted to the United States Department of Housing and Urban Development (HUD) every 5 years analyzing the needs of the nonentitlement areas of this Commonwealth in the areas of housing including special needs, community development, homelessness prevention and economic development. From this analysis a unified strategy for housing, homelessness and community development programs, including the necessary linkages for building successful neighborhoods and communities, is created. The Action Plan is the annual application to HUD for Federal funds administered by the Commonwealth for the nonentitlement communities of this Commonwealth. The HUD funding programs covered by the Plan and administered by the Department are the Community Development Block Grant (CDBG), the HOME Investment Partnerships, the Emergency Solutions Grant, CDBG Disaster Recovery and Neighborhood Stabilization Program. The Plan also covers the following programs, which other Commonwealth agencies administer: the Department of Health administers the Housing Opportunities for Persons with AIDS programs; and the Housing Finance Agency administers the National Housing Trust Fund.

Public Hearing

The first public hearing for the 2018 Annual Action Plan will be conducted electronically by means of the Internet on Thursday, October 26, 2017, at 10 a.m. This more widely available computer access will replace the onsite public hearing, though interested persons may attend the meeting in person at the Department offices in Harrisburg, PA. The format will be more accessible than an in-person hearing because those who wish to make comment or discuss policy

may participate directly from their personal computer or from a computer located at their public library.

Any individual or organization may give testimony or comments by means of the Internet. Comments will be accepted about topics related to the needs of the Commonwealth in the following areas: community development; housing including special needs; homelessness; economic development; any changes to the method of distribution of the existing Federal programs; and the process by which public input is gathered. In addition, a summary of the Fiscal Year 2016 accomplishments will be presented. The Commonwealth encourages public participation in this process.

Anyone who wants to participate must register for the hearing prior to the start time so an attendance record may be verified.

Individuals can register for this public hearing at https://copa.webex.com/copa/k2/j.php?MTID=t98d92cd3716bb6dc2ebc8ea0bab0b061. Once approved by the host, a confirmation e-mail will be sent with instructions for joining the session. To view in other time zones or languages, visit https://copa.webex.com/copa/k2/j.php?MTID=td5e167a0321dcf25ef63b65ef1d27cb5.

For assistance contact Jon Cherry at jcherry@pa.gov.

During the public hearing, if support is required, call (717) 787-5327. The hearing will be recorded for public record. The hearing will be shortened if there is no one to testify or there is minimal response.

Anyone who has a disability or limited English proficiency and wishes to participate in the public hearing should contact Megan Snyder, Department of Community and Economic Development, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225, (717) 720-7404 or TDD (717) 346-0308 at a minimum of 72 hours prior to the meeting to discuss how the Department can accommodate their needs.

Written Comments

Written testimony, instead of Internet testimony, must be submitted by 5 p.m. on Friday, December 8, 2017, for review for consideration for the 2018 Annual Action Plan. Submit comments to Megan Snyder, Department of Community and Economic Development, Center for Community Financing, 400 North Street, 4th Floor, Commonwealth Keystone Building, Harrisburg, PA 17120-0225, RA-DCEDcdbg&homequestions@pa.gov.

DENNIS M. DAVIN,
Secretary

[Pa.B. Doc. No. 17-1692. Filed for public inspection October 13, 2017, 9:00 a.m.]

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It's 10:00 am and we'll call the first public hearing for the 2018 Action Plan. I am Kathy Possinger, Director of the Compliance, Monitoring and Training Center of the Department of Community and Economic Development.

The Center is responsible for preparation of the consolidated planning process which allows the Commonwealth to receive funding under the Community Development Block Grant, the HOME Investment Partnerships, the Emergency Solutions Grant, Housing Opportunities for People with AIDS Programs and the National Housing Trust Fund along with funding for the Neighborhood Stabilization Program and CDBG-Disaster Recovery grants.

Notice of this public hearing for the 2018 Action Plan appeared in the October 14, 2017 edition of the Pennsylvania Bulletin. It was also publicized through DCED's CD & H Alert process that sends out a Notice of Public Hearing to 22 contact lists. This went out October 4th.

The purpose of this public hearing is to provide individuals and organizations the opportunity to hear and comment on the achievements during Pennsylvania's 2016 Program Year as well as provide DCED with the needs of the state dealing in community development, housing, homelessness and economic development that you would like considered when developing the goals and objectives of this year's programs.

All comments will be considered and the 2018 Action Plan will be drafted once the funding program' allocations have been finalized by HUD.

CONVERT TO THE AGENDA

Has everyone who is interested in speaking on the 2016 CAPER or needs to be considered had a chance to make their comment? The comment period continues to be open for the 2018 Action Plan until Friday December 8, 2017; Written testimony, in lieu of Web testimony, must be submitted by 5:00 PM, Friday December 8, 2017. Please submit comments to Megan Snyder, Department of Community and Economic Development, Center for Compliance, Monitoring and Training, 400 North Street, 4th Floor, Commonwealth Keystone Building, Harrisburg, PA 17120-0225 or via the Department's mail box at: RA-DCEDcdbg&homequestions@pa.gov

Hearing no additional comments, I hearby close this public hearing at XXXX ,Thank you.

1st Public Hearing Notes
2018 Annual Action Plan
October 26, 2017
10:00 – 11:00 AM

Attendance – Five by phone - Three DCED staff present

Overview of the Citizen Participation Process – See PowerPt.

Needs

- Emergency Rehabilitation Program – Bringing the house up to code is too much, when all that is needed is a furnace, roof, or porch roof. Hard to help people when not doing a program in that area.
- Administration allotment (18%) isn't enough to hire additional staff personnel. Reporting has become too burdensome.
- Large need for housing for seniors that need services to stay in their homes especially rentals.
- Gap for folks that need 24/7 but not need a nursing home or hospital. Need a set aside for services for folks that need affordable, accessible housing.
- Question came up about addressing a Mixed Use project. Kathy addressed the issue and explained the $35,000 ratio to jobs created. MJ explained how the project could be separated using HOME funds for the affordable apartments and CDBG or other economic development programs for the commercial areas.

Update on the Fair Housing

Analysis of Impediments (AI) being updated for the 2019 -2024 Con Plan. No additional information from HUD on the state tool for the Affirmatively Furthering Fair Housing (AFFH). DCED will be getting more information out to the grantees and other groups that may be affected by this.

THE SUNSHINE ACT MEETING NOTICES

Management Directive 250.1 Amended

OFFICE OF ADMINISTRATION EXECUTIVE OFFICES ROOM 221, FINANCE BUILDING	PERSON SUBMITTING FORM Snyder, Megan L	TELEPHONE # 717-720-7404	DATE SUBMITTED 5/25/2018
TYPE OF MEETING See Below	ADA CONTACT NAME: Megan L Snyder ADA CONTACT PHONE NUMBER: 717-720-7404		

PUBLIC MEETING NOTICE PURSUANT TO THE SUNSHINE ACT

MEETING TITLE	TYPE	TIME	DATE	LOCATION	ADD. INFO
2018 Annual Action Plan - Public Meeting	Regular	1:30 P.M.	6/18/2018	Keystone Building, Conference Room 4 West 400 North St, 4th Floor Harrisburg, PA 17120	Via Internet, Call Jon Cherry at 717-720-7350 to register. TDD call 717-346-0308.
Pennsylvania Housing Advisory Committee (PHAC) Meeting	Regular	1:30 P.M.	6/19/2018	Keystone Building, Forest Meeting Room, 400 North St, 1st Floor, Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308.

MEETING TYPE	MEETING TITLE	MEETING TIME	MEETING DATE	ROOM NO. AND BUILDING	ADDITIONAL MEETING INFORMATION	
Regular	Pennsylvania Housing Advisory Committee (PHAC)	10 A.M.	7/26/2017	PA Housing Finance Agency, Board Room, 211 North Front Street, Harrisburg, PA 17105	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308	Delete Edit
Regular	2015 & 2016 Substantial Amendment and 2017 Annual Action Plan	10 A.M.	7/27/2017	Conference Room 4 West 400 North Street, 4th Floor Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308	Delete Edit

COMMONWEALTH OF PENNSYLVANIA

STD-005

REV. 05.15

THE SUNSHINE ACT MEETING NOTICES

Management Directive 250.1 Amended

OFFICE OF ADMINISTRATION EXECUTIVE OFFICES ROOM 221, FINANCE BUILDING	PERSON SUBMITTING FORM Snyder, Megan L	TELEPHONE # 717-720-7404	DATE SUBMITTED 9/13/2017
TYPE OF MEETING See Below	ADA CONTACT NAME: Megan Snyder ADA CONTACT PHONE NUMBER: 717-720-7404		

PUBLIC MEETING NOTICE PURSUANT TO THE SUNSHINE ACT

MEETING TITLE	TYPE	TIME	DATE	LOCATION	ADD. INFO
Regional Housing Advisory Committee Meeting - Central Region	Regular	9:30 A.M.	10/2/2017	e-Commerce Lab, 400 North Street, 4th Floor Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308

COMMONWEALTH OF PENNSYLVANIA

STD-005

REV. 05.15

THE SUNSHINE ACT MEETING NOTICES

Management Directive 250.1 Amended

OFFICE OF ADMINISTRATION EXECUTIVE OFFICES ROOM 221, FINANCE BUILDING	PERSON SUBMITTING FORM Snyder, Megan L	TELEPHONE # 717-720-7404	DATE SUBMITTED 9/13/2017
TYPE OF MEETING See Below	ADA CONTACT NAME: Megan Snyder ADA CONTACT PHONE NUMBER: 717-720-7404		

PUBLIC MEETING NOTICE PURSUANT TO THE SUNSHINE ACT

MEETING TITLE	TYPE	TIME	DATE	LOCATION	ADD. INFO
Regional Housing Advisory Committee Meeting - Lehigh Valley Region	Regular	1:30 P.M.	9/25/2017	Conference Room 4 West 400 North Street, 4th Floor Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308
Regional Housing Advisory Committee Meeting - South West Region	Regular	1:30 P.M.	10/2/2017	Conference Room 4 West 400 North Street, 4th Floor Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308
Regional Housing Advisory Committee Meeting - South East Region	Regular	1:30 P.M.	10/3/2017	e-Commerce Lab, 400 North Street, 4th Floor Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308
Regional Housing Advisory Committee Meeting - North East Region	Regular	1:30 P.M.	9/27/2017	e-Commerce Lab, 400 North Street, 4th Floor Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308
Regional Housing Advisory Committee Meeting - North West Region	Regular	10 A.M.	10/4/2017	Conference Room 4W-1 400 North Street, 4th Floor Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308

MEETING TYPE	MEETING TITLE	MEETING TIME	MEETING DATE	ROOM NO. AND BUILDING	ADDITIONAL MEETING INFORMATION	
Regular	Pennsylvania Housing Advisory Committee (PHAC)	10 A.M.	7/26/2017	PA Housing Finance Agency, Board Room, 211 North Front Street, Harrisburg, PA 17105	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308	Delete Edit
Regular	2015 & 2016 Substantial Amendment and 2017 Annual Action Plan	10 A.M.	7/27/2017	Conference Room 4 West 400 North Street, 4th Floor Harrisburg, PA 17120	Via Internet, Call Megan Snyder at 717-720-7404 to register. TDD call 717-346-0308	Delete Edit

Screenshot posted on bulletin board
see attached.

NOTICES

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

Summary Notice of the Availability of the Draft 2018 Annual Action Plan; Public Hearing

[48 Pa.B. 3099]
[Saturday, May 26, 2018]

The Department of Community and Economic Development (Department) announces the availability of the Commonwealth's draft Federal Fiscal Year 2018 Annual Action Plan (Plan). The Plan is submitted to the United States Department of Housing and Urban Development (HUD) as the annual application for Federal funds administered by the Commonwealth. The HUD funding programs covered by the Plan and administered by the Department are the Community Development Block Grant (CDBG), the HOME Investment Partnership (HOME), the Emergency Solutions Grant (ESG) programs, Community Development Block Grant—Disaster Recovery (CDBG-DR) and Neighborhood Stabilization Program (NSP). Also covered by the Plan is the Housing Opportunities for Persons with AIDS (HOPWA) program which the Department of Health administers and the National Housing Trust Fund which is administered by the Pennsylvania Housing Finance Agency.

This summary is designed to provide an opportunity for citizens, local governmental officials and interested organizations in this Commonwealth to comment about the Plan prior to its submission to HUD. Comments may be electronically submitted to the Department by e-mail to RA-DCEDcdbghomequestions@pa.gov. Written comments should be submitted to Megan L. Snyder, Center for Compliance, Monitoring and Training, Department of Community and Economic Development, 400 North Street, 4th Floor, Commonwealth Keystone Building, Harrisburg, PA 17120-0225. Electronic and written comments must be received by 4 p.m. on Wednesday, June 27, 2018, to be included as testimony in the Plan.

Purpose

The Plan takes the strategy developed in the Consolidated Plan and applies it to the administration of the CDBG, HOME, ESG, CDBG-DR, NSP, HOPWA and National Housing Trust Fund programs for 2018. HUD must approve the Plan for the Commonwealth to receive funding under the identified HUD programs.

Content

The Plan will include the Methods of Distribution for all Federal programs, as well as the goals and outcomes expected during the 2018 calendar year. Besides the Department's web site http://dced.pa.gov, the approved Plan will be able to be viewed on HUD's web site at https://www.hudexchange.info/consolidated-plan/con-plans-aaps-capers/.

Major changes in the method of distribution for 2018 by program

CDBG—

Entitlement—No changes

Competitive—No changes

CDBG-DR—No changes

HOME—

a. Because of the complexity of Federal regulations and requirements associated with the HOME program, a minimum application amount of $50,000 has been established, except for CHDO operating grants and project specific predevelopment loans. All other HOME activities except rental development, have a maximum grant level of $500,000 for any HOME application covering a single municipality or $750,000 for assistance for multiple municipalities.

ESG—

a. Funding to eligible entities is competitive and is not guaranteed beyond the immediate funding cycle awarded.

b. *Nonpriority—Emergency Shelter*: Operations (applicants applying for operation funds may only request ESG funds equal to 25% of the total shelter operations budget for the 18-month award period).

c. Applicants who design regional projects will be highly considered for funding if the project addresses a Statewide need that is supported by data, is administered by an organization with capacity to fulfill all programmatic requirements and has identified its ability to meet the match requirement.

d. Nonprofits may not apply directly to the Department but through a local unit of government except for nonprofits applying for a regional based project.

HOPWA—No changes

Housing Trust Fund—No changes

Public Review

The Plan is available on the Internet or in hard copy for public comment from May 27, 2018, through June 27, 2018. CD copies of the Plan can be obtained by calling (717) 720-7404.

Written comments

Comments may be electronically submitted to the Department by e-mail to RA-DCEDcdbghomequestions@pa.gov. Written comments should be submitted to Megan L. Snyder, Center for Compliance, Monitoring and Training, Department of Community and Economic Development, 400 North Street, 4th Floor, Commonwealth Keystone Building, Harrisburg, PA 17120-0225. Written comments must be received by 4 p.m. on Wednesday, June 27, 2018, to be included as testimony in the Plan.

Public hearing

The public hearing for the Plan will be conducted electronically, by means of the Internet/conference call on Monday, June 18, 2018. The public hearing by the Internet/conference call will be held at 1:30 p.m. and will last as long as there are comments to be received. This more widely available computer access/conference call will replace the onsite public hearing. The format will be more accessible than an in-person meeting because those who wish to make comment or discuss policy may participate directly from their electronic device, telephone or from a computer located at their public library. Interested parties may also attend the public hearing in person at the Department of Community and Economic Development, 400 North Street, 4th Floor, Commonwealth Keystone Building, Harrisburg, PA.

Any individual or organization may give testimony or comments by means of the Internet. Comments will be accepted on the content of the Commonwealth's draft Plan including the various changes to the method of distribution already previously outlined, and the process by which the public input is gathered. The Commonwealth encourages public participation in this process.

Individuals who wish to participate must register in advance. Contact Megan L. Snyder at (717) 720-7404 to receive registration instructions for the Internet meeting at least 24 hours prior to the hearing date. During the hearing, if support

is required, call (717) 787-5327. The hearing will be shortened if there is no one to testify or there is minimal response.

Persons with a disability or limited English proficiency who wish to participate in the public hearing should contact Megan L. Snyder, Department of Community and Economic Development, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225 or at (717) 720-7404 or TDD at (717) 346-0308 to discuss how the Department can accommodate their needs.

DENNIS M. DAVIN,
Secretary

[Pa.B. Doc. No. 18-827. Filed for public inspection May 25, 2018, 9:00 a.m.]

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It's 1:30 pm and we'll call the second public hearing for the 2018 Action Plan to order. I am Mary J. Smith, in charge of Compliance and Technical Support for the Compliance, Monitoring and Training Center of the Department of Community and Economic Development.

The Center is responsible for preparation of the consolidated planning process which allows the Commonwealth to receive funding under the Community Development Block Grant, the HOME Investment Partnerships, the Emergency Solutions Grant, Housing Opportunities for People with AIDS Programs and the National Housing Trust Fund along with funding for the Neighborhood Stabilization Program and CDBG-Disaster Recovery grants.

The Center has spent months engaging the public and partner organizations in meetings of our advisory committees and other groups to provide input into the development 2018 Action Plan that provides for the needs of Pennsylvania's residents as outlined in the 2014 -2018 Consolidated Plan.

Notice of this public hearing for the 2018 Action Plan appeared in the May 26, 2018 edition of the Pennsylvania Bulletin. It was also publicized through DCED's CD & H Alert process that sends out a Notice of Availability to 22 contact lists. This went out May 25th.

The purpose of this public hearing is to provide individuals and organizations the opportunity to hear the changes to the draft Action Plan and to provide testimony to DCED about those changes.

The draft 2018 Action Plan has been distributed throughout the Commonwealth for public review and comment during the period from May 27th through June 27th. All comments will be considered and the 2018 Action Plan will be finalized and submitted to HUD by no later than June 29, 2018.

The allocations for the federal programs covered by the 2017 Action Plan include:

CDBG -	$40,661,628	(9.9% increase)
HOME -	$20,631,378	(44.2% increase)
	Upper Darby - $417,642 (42.2% increase)	
ESG -	$ 5,564,720	(8.2% decrease)
HOPWA -	$ 3,114,895	(12.4% increase)
	PA portion of Allentown EMSA	
	Bensalem Township EMSA	
	Harrisburg EMSA	
HTF -	$7,759,948	(32.3% increase)

The 2018 Annual Action Plan will include the Methods of Distribution for all federal programs, as well as the goals and outcomes expected during the 2018 calendar year. Besides DCED's website http://dced.pa.gov , the approved plan can be viewed on HUD's website: https://www.hudexchange.info/consolidated-plan/con-plans-aaps-capers/

Major Changes in the Method of Distribution for 2018 by program

CDBG –

Entitlement – No Changes

Competitive – No Changes

CDBG-DR – No Changes

HOME –

a. Because of the complexity of federal regulations and requirements associated with the HOME Program, a minimum application amount of $50,000 has been established, except for CHDO operating grants and project specific predevelopment loans. All other HOME activities except rental development, have a maximum grant level of $500,000 for any HOME application covering a single municipality or $750,000 for assistance for multiple municipalities.

b. All other changes from the 2017 Action Plan continue in place for 2018.

ESG-

a. Funding to eligible entities is competitive and is not guaranteed beyond the immediate funding cycle awarded.

b. Non-Priority – Emergency Shelter: Operations (applicants applying for operation funds may only request ESG funds equal to 25% of the total shelter operations budget for the 18-month award period.)

c. Applicants who design regional projects will be highly considered for funding if the project addresses a statewide need that is supported by data, is administered by an organization with capacity to fulfill all programmatic requirements, and has identified its ability to meet the match requirement

d. Non-profits may not apply directly to DCED but through a local unit of government except for non-profits applying for a regional based project

HOPWA – No Changes

Housing Trust Fund – No Changes

Any and all issues about the plan may be discussed, but your comments should be primarily directed at the content of the draft Action Plan.

At this point, I'd like to open the lines for any comment on the 2018 Action Plan:

Wait 5 minutes……..

Has everyone who is interested in speaking on the plans had a chance to make their comment? The comment period continues to be open for the 2018 Action Plan until June 27, 2018 for any further comments. Written testimony, in lieu of Web testimony, must be submitted by 4:00 PM, Wednesday June 27th for the 2018 Plan. Please submit comments to Megan Snyder, Department of Community and Economic Development, Center for Compliance, Monitoring and Training, 400 North Street, 4th Floor, Commonwealth Keystone Building, Harrisburg, PA 17120-0225 or via the Department's mail box at: RA-DCEDcdbghomequestions@pa.gov .

Thank you.

NOTICES

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

Pennsylvania Housing Advisory Committee Meeting

[48 Pa.B. 3589]
[Saturday, June 16, 2018]

The Pennsylvania Housing Advisory Committee (Committee) will meet on June 19, 2018, from 1:30 p.m. to 3:30 p.m. in the Forest Room, Keystone Building, 400 North Street, Harrisburg, PA 17120. The Committee is responsible for reviewing Statewide housing, community development and support services, needs and priorities, as well as advising the Department of Community and Economic Development (Department) in the preparation of the Commonwealth's Consolidated Plan, annual action plans and the coordination of Federal, State and local resources to manage the implementation of these plans.

As part of the planning process for the 2018 Action Plan of the Consolidated Plan for 2014—2018, the Committee will be meeting in an open forum to discuss the needs of this Commonwealth in terms of housing including special needs, community development, homelessness and economic development. The Committee will hear a presentation of the 2018 Action Plan and how this year's allocation of Community Development Block Grant (CDBG), the HOME Investment Partnerships, the Emergency Solutions Grant, CDBG Disaster Recovery, Neighborhood Stabilization Program and Housing Opportunities for Persons with AIDS funding will be distributed once received from the United States Department of Housing and Urban Development.

Anyone who wishes to attend the Committee meeting must register in advance. Contact Megan Snyder at (717) 720-7404 or TDD (717) 346-0308 to receive information on attending the meetings at least 72 hours prior to the meeting date. There will be WebEx capability to attend the meeting remotely, so registration is required.

Topic: Committee meeting
Date: Tuesday, June 19, 2018
Time: 1:30 p.m.

To register go to https://copa.webex.com/copa/k2/j.php?MTID=t9c9d106df730b615b89e90bbba7b9faa. Once approved by the host, a confirmation e-mail will be sent with instructions for joining the session.

Persons with a disability or limited English proficiency who wish to attend the Committee meeting and require an auxiliary aid, service or other accommodation to participate should contact Megan Snyder, Department of Community and Economic Development, Center for Community Financing, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225, (717) 720-7404 or TDD (717) 346-0308, at a minimum of 72 hours before the meeting to discuss how the Department may best accommodate their needs.

DENNIS M. DAVIN,
Secretary

[Pa.B. Doc. No. 18-925. Filed for public inspection June 15, 2018, 9:00 a.m.]

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APPENDIX E

HOPWA MAP and

REGIONAL GRANTEE CONTACT LIST

APPENDIX E **Pennsylvania – REGIONAL GRANTEE LISTING**

AIDSNET Region
AIDSNET
31 South Commerce Way
Bethlehem, PA 18017

CLARION UNIVERSITY – North West Region
Clarion University
15870 Route 322
Clarion, PA 16214

FAMILY HEALTH COUNCIL OF CENTRAL PA, INC.- South Central Region
Family Health Council of Central Pennsylvania, Inc.
3461 Market Street, Suite 200
Camp Hill, PA 17011

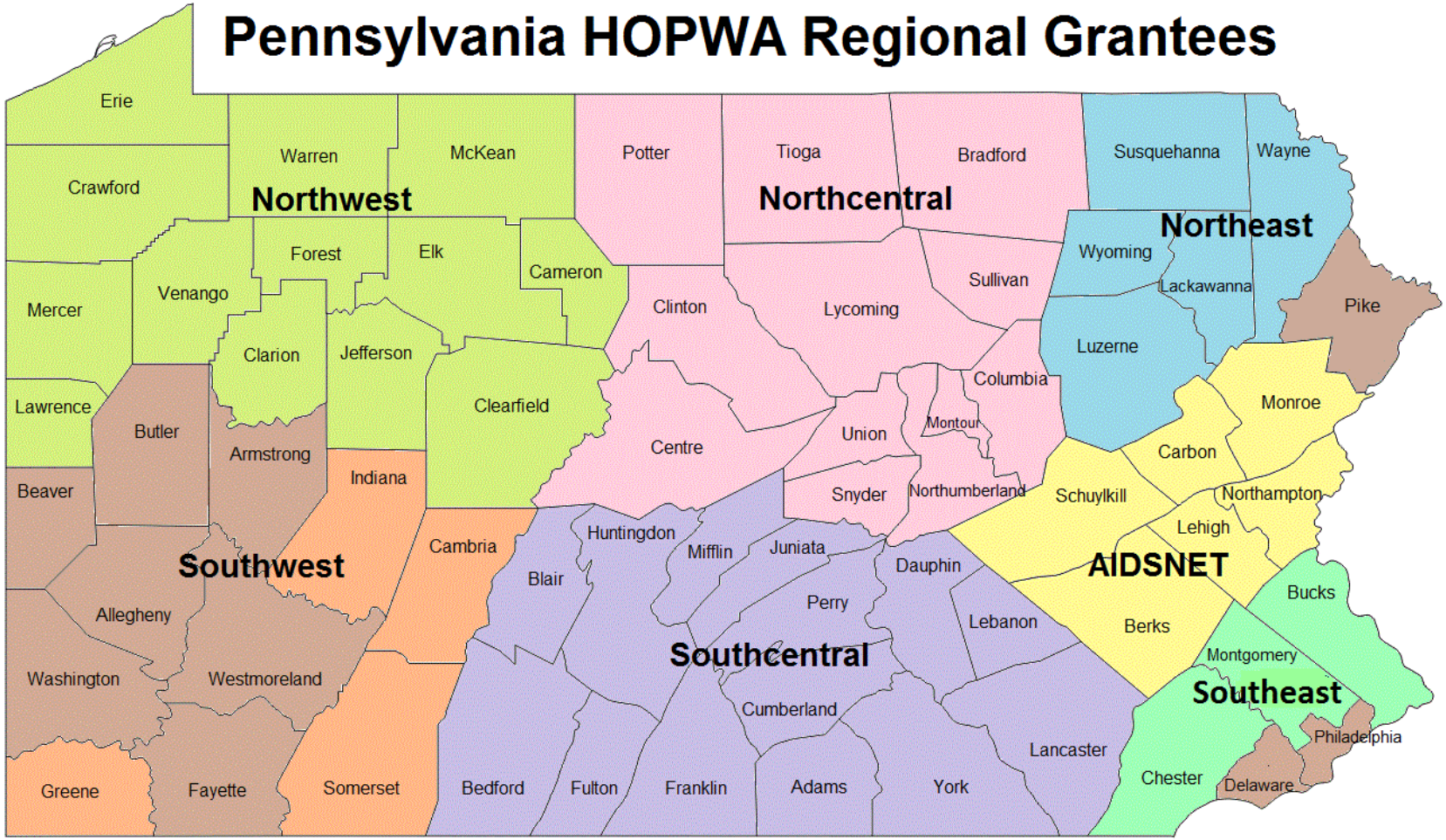
NORTH CENTRAL DISTRICT AIDS COALITION – North Central Region
North Central District AIDS Coalition
7930 Nittany Valley Drive
Suite B
Mill Hall, PA 17751

THE JEWISH HEALTHCARE FOUNDATION – South West Region
The Jewish Healthcare Foundation of Pittsburgh, Inc.
650 Smithfield Street, Suite 2400
Pittsburgh, PA 15222

THE OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT – South East Region
City of Philadelphia
1234 Market Street, Floor 17
Philadelphia, PA 19107

The UNITED WAY OF WYOMING VALLEY – North East Region
United Way of Wyoming Valley
100 North Pennsylvania Avenue
2nd Floor
Wilkes-Barre, PA 18701

Pennsylvania HOPWA Regional Grantees



APPENDIX F

HOUSING TRUST FUND ALLOCATION PLAN and REHABILITATION STANDARDS

Draft

Pennsylvania Housing Trust Fund Allocation Plan

May 2018

As Administered by the Pennsylvania Housing Finance Agency

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I. GRANTEE INFORMATION

Commonwealth:	**FY 2018 HTF Allocation Amount:**
Pennsylvania	$7,759,948

II. CONSOLIDATED PLAN REQUIREMENT

A. Citizen Participation Plan

The consolidated plan regulation at § 91.115 requires the Commonwealth to include HTF in its citizen participation plan. Essentially, before adopting a consolidated plan, the Commonwealth is required to adopt a citizen participation plan that describes the process for providing and encouraging citizens to participate in the development of the consolidated plan, the amendments to the consolidated plan and the performance report (CAPER). For the purposes of HTF, the Commonwealth is required to make the following information available to the public:

- the amount of HTF assistance the Commonwealth expects to receive,
- the range of activities the Commonwealth may undertake, including the estimated amount that will benefit extremely low-income households, and
- the Commonwealth's plans to minimize displacement of persons and to assist any persons displaced.

Pennsylvania Bulletin Notice Published:

PHAC meeting Notice –

Draft Availability of Action Plan Notice –

2nd Public Hearing Notice for Action Plan –

Draft Availability of Substantial Amendment on the HTF specifications Notice -

Citizen Participation Notice:

CD & H Alert-PHAC Meeting Notice –

CD & H Alert- Availability of Draft Action Plan and Public Hearing –

CD & H Alert – Availability of Draft Substantial Amendment and Public Hearing –

Citizen Comment Period:

Original Action Plan submission (including HTF) –

Specific HTF Amendment -

Public Hearing:

PHAC meeting –

2nd Public Hearing for the 2018 Action Plan –

Specific HTF Amendment -

B. Consolidated Plan Screen(s) Revised

The following screen(s) in the eCon Planning Suite consolidated plan template in IDIS have been revised to include HTF.

- ✓ **ES-05 / AP-05 Executive Summary:** § 91.320(b)- The Executive Summary includes seven narratives: (1) Introduction; (2) Summary of Objectives and Outcomes; (3) Evaluation of Past Performance; (4) Summary of the Citizen Participation and Consultation Process; (5) Summary of Public Comments; (6) Summary of Comments Not Accepted; (7) Summary.

- ✓ **PR-15 Citizen Participation:** § 91.115 and § 91.300(c)- revised this screen to provide a summary of the citizen participation efforts made for HTF, including efforts to broaden public participation, a summary of citizen comments or views on the plan, and a written explanation of comments not accepted and the reasons why these comments were not accepted.

III. STRATEGIC PLAN REQUIREMENTS

The Commonwealth has amended the affordable housing section of the strategic plan to include specific objectives that describe proposed accomplishments the Commonwealth hopes to achieve and has specified the number of extremely low-income families to which the Commonwealth will provide affordable housing to (homeownership- § 93.302; rental- § 93.304) over a specific period of time.

A. Strategic Plan Screen(s) Revised

In addition to updating the affordable housing section of the strategic plan, the following screens in the eCon Planning Suite consolidated plan template in IDIS have been revised to include HTF.

- ✓ **SP-10 Geographic Priorities:** § 91.315(a)(1) - revised this screen to discuss how investments are allocated geographically.

- ✓ **SP-25 Priority Needs:** § 91.315(a)(2) - revised this screen to indicate the general priorities for allocating investment of available resources among different needs.

- ✓ **SP-30 Influence of Market Conditions:** § 93.315(b) - revised this screen to describe how the characteristics of the housing market influenced the Commonwealth's decisions regarding allocation priorities among the types of housing assistance.

- ✓ **SP-35 Anticipated Resources:** § 91.315(a)(4); § 91.320(c)(1) and (2) - revised this screen to identify the federal, Commonwealth, local, and private resources expected to be available to the Commonwealth to address priority needs and specific objectives identified in the strategic plan. Specifically, the Commonwealth should add a program to this screen by selection "Add" in the *Action* column. This will open the **SP-36 Add Anticipated Resource** screen. The Commonwealth should select "Other"

in the Anticipated Resource filed and enter "Housing Trust Fund" in the *Other Funding Source* field. The Commonwealth should also select the "public-federal" radio button in the "source" filed and complete the rest of the fields on this screen for its HTF program.

- ✓ **SP-45 Goals:** § 91.315(a)(4) and § 91.315 (b)(2)- revised this screen to summarize the Commonwealth's priorities and the specific goals it intends to initiate and/or complete within the term of the strategic plan. The Commonwealth must also ensure its five year goals include any accomplishments due to HTF funds and must also enter the number of extremely low-income families to which the Commonwealth will provide assistance with its HTF funds.

VI. ANNUAL ACTION PLAN REQUIREMENTS

The Commonwealth has included HTF in its annual action plan and has amended the original submission to include HTF information as required in § 93.320(k)(5). The action plan includes an HTF allocation plan that describes the distribution of HTF funds, and establishes the application requirements and selection criteria of applications submitted by eligible recipients that meet the Commonwealth's priority housing needs.

A. Annual Action Plan Screen(s) Revised

The following screens in the eCon Planning Suite consolidated plan template in IDIS must be revised to include HTF.

- ✓ **AP-15 Expected Resources:** § 91.320(c)(1) and (2) - this screen has been revised to provide a concise summary of the federal resources expected to be available. The HTF resources added to the **SP-35 Anticipated Resources** screen will carry over to this screen

- ✓ **AP-20 Annual Goals and Objectives:** § 91.320(c)(3) and (e)- this screen has been revised to summarize the specific goals the Commonwealth intends to initiate and/or complete within the term of the program year. Any HTF related goals and objectives entered on the **SP-45 Goals** screen will carry over to this screen.

- ✓ **AP-25 Allocation Priorities:** § 91.320(d)- this screen has been revised to describe the reasons for the Commonwealth's allocation priorities and how the proposed distribution of funds will address the priority needs and goals of the strategic plan.

- ✓ **AP-30 Method of Distribution:** § 91.320(d) and (k5)- this screen has been revised to include a description of its method(s) for distribution for the "Other - Housing Trust Fund" selection based on the entry made on the **SP-35 Anticipated Resources** screen.

- ✓ **AP-35 Projects**: §91.220(d) – revise this screen to include consolidated plan/annual action plan projects that reflect the planned use of HTF funds each year.

- ✓ **AP-50 Geographic Distribution:** § 91.320(f)- this screen has been revised to describe the geographic areas of the Commonwealth in which it will direct assistance during the ensuing program year and provide rationale for its priorities in allocating investment geographically.

- ✓ **AP-55 Affordable Housing:** § 91.320(g)- this screen has been revised to specify goals for the number of homeless, non-homeless, and special needs households to be provided affordable

housing within the program year.

- ✓ **AP-65 Homeless and Other Special Needs Activities:** § 91.320(h)- this screen has been revised to describe how HTF will help to address the Commonwealth's one-year goals and actions for reducing and ending homelessness, if applicable.

- ✓ **AP-75 Barriers to Affordable Housing:** § 91.320(i)- this screen has been revised to describe how HTF will help with any actions the Commonwealth will take during the next year to reduce barriers to affordable housing, if applicable.

- ✓ **AP-85 Other Actions:** § 91.320(j)- this screen has been revised to describe how HTF will help with any actions the Commonwealth will take during the next year to carry out the following strategies outlined in the consolidated plan:

  - Foster and maintain affordable housing;
  - Evaluate and reduce lead-based paint hazards;
  - Reduce the number of poverty-level families;
  - Develop institutional structure; and
  - Enhance coordination.

In addition, the Commonwealth must identify obstacles to meeting underserved needs and propose actions to overcome those obstacles using HTF funds, if applicable.

B. HTF Funding Priorities – § 91.320 (k)(5)(i)

The Commonwealth is responsible for distributing HTF funds throughout the Commonwealth according to its housing priority needs. In addition to revising the **AP- 30 Method of Distribution** screen in IDIS, the Commonwealth must respond to the following questions:

1. *How will the Commonwealth distribute HTF funds (§91.321(k)(50))*

The Commonwealth will distribute HTF funds through an application process to eligible recipients.

2. *Will the Commonwealth distribute HTF funds through grants to sub-grantees? If yes, describe the method for distributing HTF funds through grants to sub-grantees and how the Commonwealth will make those funds available to units of general local governments. If no, state N/A.*

N/A, through the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (Act 105 of 2010) (PHARE), the Commonwealth of Pennsylvania has identified the Pennsylvania Housing Finance Agency (PHFA), as its administrator for the NHTF. PHFA will not fund sub-grantees.

3. *Will the Commonwealth distribute HTF funds by selecting applications submitted by eligible recipients? If yes, describe the eligibility requirements for applicants as defined in § 93.2- definition of recipient. If no, state N/A.*

PHFA will utilize the same process for applicant selection as they have developed for their Low Income Tax Credit (Tax Credit) program which may be found in the attached Tax Credit Allocation Plan, made

part of this plan. HTF funds will only be awarded to projects that meet the guidelines and receive Tax Credits. Additionally, developments must meet the site and neighborhood standards set forth § 93.150.

Furthermore, Applicants must meet the Eligibility and Threshold Criteria set forth in the Tax Credit Allocation Plan which include, but are not limited to, limited displacement of low income residents, commitment to service low income residents for a period of not less than 30 years, Applicant financial capacity to complete the development, provision of specific project amenities such as community rooms, laundry facilities and management offices, VisitAbility, accessibility requirements and Fair Housing Act design standards and energy efficiency goals.

Additionally, Applicants must meet d all requirements set forth in § 93.2 to be eligible for funding under the HTF Program. Developments must also meet the property standards set forth in the Tax Credit Allocation Plan and in § 93.301.

Qualified developments must be affordable to tenants whose incomes do not exceed the federal poverty level or whose annual income do not exceed 30% of the median area income for the area, as determined by HUD with adjustment for bedroom size.

Selected developments must follow tenant protection and selection procedures set forth in 24 CFR 93.303.

4. *Will the Commonwealth distribute HTF funds by selecting applications submitted by eligible recipients? If yes, describe all the criteria that will be used to select applications and the relative importance of these criteria. At a minimum, as required in § 91.320(k)(5)(i), the selection criteria must include:*

HTF funding decisions will be made based on the following criteria, in order of importance:

a. Applicant's ability to enter into a commitment for HTF funds and to undertake eligible activities in a timely manner.

PHFA will select applicants submitted by eligible recipients as set forth in the Tax Credit Allocation Plan, made part of this plan and § 93.2. Recipients will be evaluated and must demonstrate the following:

1) make acceptable assurances that it will comply with the requirements of the HTF program during the entire period that begins upon award of HTF funds and ends at the conclusion of all HTF funded activities;

2) demonstrate the capacity to undertake, comply and manage the eligible activity;

3) demonstrate familiarity with Federal, State or local affordable housing programs that may be used in conjunction with HTF funds;

4) demonstrate experience and capacity to conduct the HTF activity as evidenced by its ability to own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development and;

5) the extent to which the application makes use of non-federal funding sources..

All projects will be reviewed to determine their ability to proceed. This review includes environmental clearances, local zoning process review, identification and commitment of all

necessary financing to support the development budget, corporate authorization and formal action by governmental authorities. PHFA will determine ability to proceed and will prioritize funding for applicants who demonstrate commitments and financial feasibility and a timeframe consistent with timely completion of the development and which meet HTF commitment and expenditure deadlines.

b. Geographic distribution for HTF funds throughout the Commonwealth in urban, suburban and rural communities.

To the greatest extent feasible, the Agency will allocate resources in the following manner: 50% to urban communities and 50% to suburban/rural communities (as defined in the Tax Credit Allocation Plan)

c. The extent to which the project has Federal, State, or local project-based rental assistance so rents are affordable to extremely low-income families.

All developments will be evaluated based on the commitment of project based rental housing assistance as part of the overall funding. Projects will be evaluated for committed resources in the form of internal rent subsidy funding to support developments housing extremely low income tenants and other programs designed to provide direct assistance to targeted income eligible households.

d. The merits of the application should meet the Commonwealth's specific housing needs such as those that target supportive housing, senior housing for persons age 62 and above with services, preservation of existing housing, developments which demonstrate community impact and developments in areas of opportunities.

e. The duration of the unit's affordability period as further set forth herein.

Projects supported with HTF funds will be required to enter into restrictive covenant agreements pledging to maintain the units assisted in the program for a 30 year period from the date the units are placed in service. This restrictive covenant agreement will be recorded in the real estate records of the county where the property is located. PHFA will monitor the projects for compliance through the affordability period.

C. Recipient Application Requirements - § 91.320(k)(5)(9)(ii)

1. Will the Commonwealth require that all recipient applications contain a description of the eligible activities to be conducted with HTF funds as required in § 93.200- Eligible activities?

Yes **X** No □

2. Will the Commonwealth require that each eligible recipient certify that housing assisted with HTF funds will comply with HTF requirements?

Yes **X** No □

D. Performance Goals and Benchmarks- § 91.320(k)(5)(iii)

The plan must include performance goals and benchmarks against which the Commonwealth will measure its progress, consistent with the Commonwealth's goals established at § 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 - Annual Goals and Objectives screens.

Yes **X** No □

V. OTHER REQUIREMENTS

A. Maximum Per-unit Development Subsidy Amount - § 91.320(k)(5) and § 93.300(a)

PHFA has evaluated current costs of affordable housing units and local market conditions throughout the Commonwealth for the purpose of providing HTF resources and the maximum per unit development award is aligned with Pennsylvania's HOME program limits based on unit type. Therefore, the maximum per unit HTF subsidy will be:

0 BR	1BR	2BR	3BR	4BR
$144,050	$165,134	$200,800	$259,773	$285,148

In 2018, PHFA anticipates providing HTF funds to approximately eight developments projects or assisting 45 rental housing units among several properties throughout the Commonwealth based upon applications received and availability of resources. The Agency may impose a minimum HTF award of $500,00 per development.

B. Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b)

Eligible activities and project costs for new construction, substantial rehabilitation and preservation of qualified rental housing projects are set forth in §93.200, §93.201 and §93.301 and shall be consistent with the activities, costs and standards set forth in the PHFA Multifamily Program Guidelines with specific sections applicable to HTF awards attached as Appendix B which specifically set forth applicable building codes, health and safety deficiency correction protocols, disaster mitigation requirements and Uniform Physical Condition Standards. PHFA's construction standards for new construction and rehabilitation developments are also available at www.phfa.org/mhp/technicalservices.

Furthermore, Applications must specify the eligible activities to which HTF funds will be allocated which may include costs related to wiring the property for broadband infrastructure (re: HUD proposed rule dated May 18, 2016). Additionally, for rehabilitation developments, the useful life of systems must be determined through a capital needs assessment that determines the work to be performed and identifies the long-term physical needs of the project. If the remaining useful life of one or more major

system is less than the 30 year period of affordability, the systems(s) must be either included in the scope of work or a replacement reserve must be established and monthly deposits made to the reserve account to adequately repair or replace the systems as needed. Specific guidance on PHFA's capital needs assessment requirements can be found at: http://www.phfa.org/forms/multifamily_application_guidelines/submission/tab_34/tab_34.pdf

C. Resale and/or Recapture Provisions - § 91.320(k)(5)(v) and § 93.304(f)

If the Commonwealth intends to use HTF funds to assist first-time homebuyers, it must set forth the guidelines for resale or recapture and obtain HUD specific, written approval, as required in § 93.304(f).

✓ **The Commonwealth will not use HTF funds to assist first-time homebuyers.**

D. HTF Affordable Homeownership Limits - §91.320(k)(5)(vi) and §93.305

HTF funds may only be invested for the provision of modest housing for homeownership. This means the housing has a purchase price for the type of single family housing that does not exceed 95 percent of the median purchase price for the area for newly constructed or standard housing. If the Commonwealth plans to use HTF funds for homebuyer assistance, and does not use the HTF affordable homeownership limits established by HUD, it must determine 95 percent of the median purchase price for single family housing for designated areas across the Commonwealth.

✓ **The Commonwealth will not use HTF funds for homeownership housing.**

E. Commonwealth Limited Beneficiaries or Preferences - § 91.320(k)(5)(vii)

The Commonwealth may limit beneficiaries and/or give preferences to the following segments of the extremely low-income population. The groups listed have also been identified in the 2014-2018 Consolidated Plan and Action Plan. The Commonwealth of Pennsylvania, under the HTF program, has established preferences for certain types of developments, consistent with needs identified in the Consolidated Plan needs assessment and housing market analysis as well as PHFA's QAP Tax Credit Plan. These limited beneficiaries/preferences include, housing for seniors (ages 62 and over), and supportive housing for persons who are homeless and non-homeless households that require supportive services, including those with mental, physical, sensory, or developmental disabilities; persons with substance abuse disorders; and persons diagnosed with HIV/AIDs and related diseases. Any activity funded with HTF funding must not violate non-discrimination requirements at § 93.350 and the Commonwealth must not limit or give preferences to students, who qualify for assistance. Owners of rental housing assisted with HTF funds may only limit project eligibility or give preference to a particular segment of the population if is it permitted in the written agreement for the project and is consistent with one of the limitation/preferences identified above (in accordance with § 93.303(d)(3)).

✓ **The Commonwealth will limit beneficiaries and/or give preferences to the segments of the extremely low-income population** as stated above**.** The HTF criteria stated above, will be the basis for awards of HTF funds and will be consistent with §93.303.

F. Refinancing of Existing Debt - § 91.320(k)(5)(viii) and § 93.201(b)

If the Commonwealth will use HTF funds for refinancing of existing debt, it must establish refinancing guidelines and include them in its consolidated plan. The Commonwealth's refinancing guidelines must describe the conditions under which it will refinance existing debt. At a minimum, the guidelines must demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. Refinancing of existing debt is only eligible if it is necessary to reduce the overall housing costs and to make the housing more affordable.

- ✓ **The Commonwealth will not use HTF to refinance existing debt.**

VI. GRANTEE CERTIFICATIONS

In addition to submitting an HTF allocation plan, the Commonwealth must submit all the required certifications identified at § 91.225 (for new action plans). If the Commonwealth is amending the action plan to include HTF, it must resubmit the following certification to include HTF:

- ✓ Consistency with plan

VII. REQUIRED FORMS

In addition to submitting an HTF allocation plan, the Commonwealth must submit and/or complete the following standard forms for its HTF program.

- ✓ Standard form- 424: **Application for Federal Assistance** (§ 91.320(a))

VIII. APPENDICES

A. PHFA 2019 DRAFT TAX CREDIT ALLOCATION PLAN

B. NEW CONSTRUCTION AND REHABILITATION STANDARDS FOR TAX CREDIT/HTF PROJECTS

Approved by Governor

PENNSYLVANIA HOUSING FINANCE AGENCY
ALLOCATION PLAN FOR YEAR 2017/2018
LOW INCOME HOUSING TAX CREDIT PROGRAM

PROCESSING OVERVIEW AND PROCEDURES FOR 2017/2018

The Pennsylvania Housing Finance Agency (the "Agency") administers the Federal Low Income Housing Tax Credit Program ("Tax Credit Program") in the Commonwealth of Pennsylvania. Pursuant to federal law governing the Tax Credit Program, the Agency adopts a plan (the "Allocation Plan") outlining the allocation priorities and procedures to be followed in distributing Federal Low Income Housing Tax Credits ("Tax Credits") based on the housing needs of the Commonwealth. Adoption of the Allocation Plan requires approval by the Governor after a public hearing.

The Agency intends to review the Applications for Tax Credits ("Applications") it receives and to select among the Applicants based on the selection ranking criteria, with **priority given to projects which fill an abject need or which best demonstrate an ability to move forward**. The Selection Criteria has been amended to reflect specific needs and market conditions which may differ based on type of property, targeted populations and housing needs.

The Agency may issue supplemental policy and guideline announcements affecting this Allocation Plan. Furthermore, the Agency reserves the right to suspend or otherwise alter the submission requirements and timelines in its discretion. Please refer to the Agency's website at *www.phfa.org*.

SUBMISSION REQUIREMENTS

All information submitted by the Applicant or requested by the Agency in the review of the Application is the sole property of the Agency and may be made public. The Agency's processing procedures, fee schedules and limitations, and current rent and income limits are set forth in the Agency's 2017/2018 Multifamily Housing Application Package and 2017/2018 Multifamily Housing Program Guidelines (the "2017/2018 Guidelines"), which will be available on the Agency's website at *www.phfa.org*, and may be amended from time to time. It is the Applicant's responsibility to be familiar and compliant with all Tax Credit Program requirements, the regulations, and the Internal Revenue Code (the "Code"), in effect both now and in the future, as applicable to any Application in this Program.

For a development to be considered for a reservation of Tax Credits, the entire Application package, including all exhibits, must be received by the Agency no later than **3:00 p.m. on September 8, 2017 (or such other deadline as may be established by the Agency on its website).** Applications not received by the closing date of the submission cycle will not be considered (except that the Agency may provide supplemental allocations to qualified projects at any time). **In advance of submitting the entire Application package on September 8, 2017, Applicants must submit an Intent to Submit a Tax Credit Application - Fact Sheet (see 2017/2018 Guidelines for form) and Development Synopsis on or before July 7, 2017.** This submission is a mandatory requirement for the 2017/2018 Tax Credit Program. The Agency will evaluate the Applications based upon the requirements set forth herein and may request additional information from Applicants at any time during the processing of an Application in its discretion.

The entity(ies) identified as an Applicant(s) in the Application must have a general partner interest in the final ownership entity of the development. The Applicant(s) must be actively involved in both the development and ongoing control and management of the development as evidenced in the partnership agreement governing the ownership entity for the development Applications. Sale, transfer or assignment of an Applicant's interest

in the proposed Tax Credit development is prohibited while the Application is pending. The Agency may impose a limit of no more than six (6) total per year per entity serving as a general partner, either solely or as a co-general partner, or four (4) Applications per Pool (as further described herein) Depending on application volume, the Agency may limit the number or size of awards per developer. Additionally, the Agency will not accept a proposal from an Applicant currently holding a reservation of Tax Credits that has not closed on all construction and equity financing on or before August 18, 2017. After reservation of Tax Credits, any such transfers, sales and assignments prior to placement in service and issuance of an IRS Form 8609 require prior written approval by Agency staff and may require submission of a new Application, additional processing fees and/or may result in recapture of Tax Credits by the Agency.

The Application package submitted for review must include all of the information in the order set forth in the Application Checklist. **Any material deficiency in the Application or omission from the mandatory submissions set forth in the Application Checklist may result in immediate rejection or alternatively, negative ranking points**. In addition, the Application must meet program eligibility requirements set forth in the Code. Applications and required exhibits may not be submitted via fax or email to the Agency. Any Application which does not contain sufficient information to be reviewed will be returned. The Agency reserves the right to reject or return any Application at any time during the Application processing period.

Any Application, once received by the Agency, may not be altered, amended or modified except as approved by staff during underwriting and program review or except for developments participating in an Agency financing program, which may undergo subsequent substitute processing and ranking by the Agency. Applications will be ranked based only upon the information contained in the Application package. Agency staff will review the development's construction costs, fees, sources of funds, operating income and expenses to determine the development's financial feasibility and long term viability. The Agency may review local and/or state analysis of impediments to fair housing prepared in connection with federal funding programs and **may prioritize Applications which evidence opportunities to affirmatively further fair housing**. Applications that meet all threshold requirements, need and marketability and are financially feasible and viable will then be ranked according to the Selection Criteria. Applications that do not meet threshold requirements, are financially infeasible, do not demonstrate long term viability, or which exceed the maximum number of Applications per Applicant may be returned at any time. The Agency also reserves the right, in its sole discretion, to reject any Application in the event that the costs or fees associated with the proposed development are deemed to be excessive or unreasonable. Additionally, the Agency may discontinue processing any Application if the Agency determines in its sole discretion that the development will not be able to receive a reservation of Tax Credits due to the oversubscription of Tax Credits in any Set-Aside, Pool or Preference.

Upon review of the Application, Agency staff may, but is under no obligation to, advise the Applicant of incongruities, discrepancies or incomplete items and may allow the Applicant to clarify or supplement the original submission. Such requests will be made in writing to the Applicant and response will be required within the timeframe set forth therein, which will generally be no later than five business days from notification by staff. Applicants are urged to review their original Applications carefully prior to submission to the Agency. Corrections allowed during the staff review process will neither include replacement, substitution or amendment of material items used by staff in the ranking of an Application nor remedy the scoring of an Application as an incomplete submission. See the 2017/2018 Guidelines for additional guidance and information about processing Applications.

Notwithstanding the above, Agency staff may take any actions deemed necessary by the Agency to process Applications and administer this program, which may include modifying and adjusting any allocation as it deems necessary to promote housing goals including its goal of creating and enhancing housing choices in areas of opportunity (maximizing leveraging of available program resources, and encouraging geographic distribution), and to respond to specific market needs and/or program objectives.

Furthermore, Agency staff is specifically instructed and authorized to make *de minimis* adjustment to any Application in processing, at any time as deemed appropriate and necessary, to carry out the housing goals of

the Agency. (For these purposes, *de minimis* means an adjustment of approximately 5% of the conditional reservation or allocation.)

APPLICATION ELIGIBILITY CRITERIA

In order to be considered for a conditional reservation of Tax Credits, all Applicants must submit an Application. The Agency will not accept or process requests for Tax Credits without the submission of an Application, and will only process Applications meeting all of the following eligibility criteria. Failure to meet any of these eligibility criteria may result in rejection of the Application.

1. Agency staff will review the Tax Credit Program compliance history and performance of the Applicant (or any related entity or material participant) and the management agent of the proposed development. The Applicant must certify that it is in compliance with all Tax Credit Program requirements for each Tax Credit development in which it has a material ownership interest. If the Applicant (or any related entity) or management agent of the proposed development is currently involved in a Tax Credit development that has been reported to the Internal Revenue Service ("IRS") as being out of compliance with any Agency program requirement (or has an outstanding Restrictive Covenant Agreement violation) and such noncompliance has not been brought back into compliance prior to the submission of the Application, the Application may be rejected at any time prior to reservation of Tax Credits. In the alternative (or in addition, as determined by the Agency), attendance and satisfactory completion of an Agency-approved course in the compliance requirements of the Tax Credit Program may be required. The Agency will determine whether a compliance issue is of a material or nonmaterial nature and whether it is of a recurring nature based on the facts and circumstances. Note that while any material compliance issue may result in rejection of an Application, nonmaterial noncompliance issues may result in the adjustment of points during the ranking process. The Agency may reject any Application from an Applicant who fails to submit and maintain timely unit and project information on the Agency's interactive database ("PA Housing Search"), participate in the Agency's energy benchmarking program or provide supplemental data upon request.

2. If the Applicant (or any related entity or material participant) is involved or has been involved in an Agency funded development that is delinquent in payments to the Agency or has materially defaulted on any of its obligations to the Agency or has misrepresented any material information on a previous application, the Agency may reject the Application.

3. Applications may be returned if the Applicant (or any related entity or material participant) has failed to meet any established program deadline date which resulted in loss or recapture of Tax Credits or potential loss of other financial assistance or funding resources.

4. Applicants (or any related entities or material participants) who have unpaid fees due to the Agency or with outstanding state tax liability may be ineligible to participate in the Tax Credit Program.

5. Developments that have resulted from or will result in the permanent displacement of low income residents will be ineligible for Tax Credit Program participation unless the Applicant provides evidence satisfactory to the Agency that an appropriate relocation plan has been developed. Furthermore, to the greatest extent feasible, all existing low income residents must be offered their choice to either be temporarily relocated until such time, upon completion of the development, as they are able to return to an appropriately sized affordable unit in the development, or receive relocation benefits. Applicants are required to document the efficacy of notice given to residents to the satisfaction of the Agency.

6. Applications for Acquisition Tax Credits will not be accepted for any existing occupied Tax Credit development during its initial compliance period unless the initial compliance period will have expired prior to the end of 2018 and the property meets all other Acquisition Tax Credit rules.

7. Applicant must provide evidence satisfactory to the Agency of its financial and organizational capacity to ensure the completion of the development in accordance with the requirements of the Code. The Agency will consider the total cost and number of projects owned or managed by the Applicant in making this determination. Additionally, the Agency reserves the right to review supporting documentation, including annual audited financial statements, to evaluate the Applicant's financial capacity.

8. Applications for 2017/2018 Tax Credits must demonstrate a commitment to serve low income residents for a period of not less than 35 years or, in the alternative, offer homeownership opportunities to qualified residents after the initial 15 year compliance period. For the commitment to serve low income residents for a period of not less than 35 years, Applicant will certify this commitment in the Application and the Restrictive Covenant Agreement will contain a provision waiving any right to petition the Agency to terminate the extended use term (as described in the Code). If the alternative of homeownership opportunities is selected, proposals must present a financially viable homeownership program for residents who inhabit the units during the compliance period. The program must incorporate an exit strategy, homeownership counseling and a minimum amount of funds (not less than $1,000 per unit) set aside by the developer to assist the residents with the purchase. This amount may not be included in the project budget. The only types of units eligible for consideration are townhouse and single family attached and detached structures. The Agency may approve other unit types conducive for these purposes if structured as cooperative or condominium ownership. The Applicant will certify this commitment in the Application and the Restrictive Covenant Agreement will contain provisions ensuring enforcement of the related covenants by affected qualified residents. Should the units not be converted to homeownership, the Restrictive Covenant Agreement will contain a provision waiving any right to petition the Agency to terminate the extended use term for all units remaining as rental units. A certification from the design architect verifying the units are townhouse or single family attached or detached structures (or otherwise appropriate for homeownership by tenants as determined by the Agency) will be required as part of the Application.

9. The development team must have sufficient experience, as determined in the sole discretion of the Agency, to effectively own, design, construct, manage and operate a Tax Credit development. The development team members include the Applicant, architect, general contractor, attorney, and the management agent. As appropriate, the experience of a housing consultant (including their ability to secure equity investment and provide services through initial occupancy) or a housing management consultant may be considered in lieu of the Applicant or management agent, respectively.

In addition to the above threshold eligibility criteria, the Agency reserves the right to take any action it deems appropriate if the Applicant (or any related entity), proposed management agent, or other material participant has been found to be in violation of fair housing, housing accessibility or nondiscrimination laws or has been found to discriminate against Section 8 voucher and certificate holders or recipients of any state or local tenant or project based rental assistance, and such violation or discriminatory actions have not been remedied to the satisfaction of the governmental agency or entity with jurisdiction. The Agency specifically reserves the right to take any appropriate action and to deny any future Tax Credit Application from any Applicant (or related entity) who evicts or terminates the tenancy of low income residents, except for good cause, throughout the entire project compliance period (including the extended use period) applicable to any existing Tax Credit development. The Agency may reject an Application from any Applicant (or related entity) who participates in a transaction or program to achieve early termination of a Restrictive Covenant Agreement (or other document(s) evidencing long term restrictions applicable to the Tax Credit Program) as determined by the Agency in its sole discretion. Such action may include rejection of the Application, termination of processing, recapture of Tax Credits (if an IRS Form 8609 has not been issued) or, if applicable, issuance of an IRS Form 8823 or notification to the appropriate governmental authorities. As evidence of such finding of violation, the Agency may rely upon its own investigations or may rely upon any order of a court with jurisdiction or upon notice of such a finding from any federal or state agency with investigative or regulatory jurisdiction regarding the subject matter, such as the Internal Revenue Service, U.S. Department of Justice, U.S. Department of Treasury, U.S. Department of Housing and Urban Development, Pennsylvania Human Relations Commission or Pennsylvania Office of Attorney General or may make a determination based upon the failure to report or

affirmatively disclose information to the Agency.

"Material participant" for purpose of this section includes any entity who by written agreement may significantly affect, in the opinion of the Agency, the development or operation of the property. Such written agreement may include ground leases, operating subsidies, partnership agreements, management contracts or operating regulatory agreements.

10. Applications must demonstrate that the housing needs of local public housing waiting lists have been met. Applicants may meet this requirement by providing either: (1) a current letter from the local public housing authority stating how the development is specifically meeting the housing needs of residents on the public housing waiting list; (2) a copy of the comprehensive plan outlining the current local public housing authority waiting list and evidence that the development will meet such resident needs; or (3) evidence of receipt of mailing to the local public housing authority prior to the date of the Tax Credit Application a letter which evidences the commitment of the developer to work cooperatively to meet the needs of persons on the local public housing waiting list.

11. Applications must include evidence, satisfactory to the Agency, that an equity investor has been secured for the development at a market pay-in value and the terms and conditions related to the investment are reasonable.

SET-ASIDES, POOLS AND PREFERENCES

The Agency will provide Tax Credits through several Set-Asides, Pools and Preferences. Should additional Tax Credits become available for whatever reason at any time in 2017, the Agency will not issue an amendment to this Allocation Plan but will instead make allocations of such additional Tax Credits based upon priorities and preferences set forth in this Allocation Plan as it deems appropriate and as further set forth herein. The amounts available in each Set-Aside may be adjusted by the Agency to ensure adequate and appropriate funding of the Applicants meeting the Program criteria.

Set-Aside Percentages

Set-Asides	Percentage of Tax Credits to be Allocated
Geographic Set-Aside	
Urban Pool*	50.00%
Suburban/Rural Pool	50.00%
Total	100.00%

* See "Exhibit Urban Areas" for complete list of the applicable municipalities. Fifty percent (50%) of this amount will initially be set aside to fund developments located in municipalities other than Philadelphia.

The Agency has established preferences for certain types of developments in each Pool which include general occupancy, senior occupancy (ages 62 and over), properties furthering the preservation of affordable housing, applications for supportive housing, community revitalization developments, areas of opportunity and Strategic Investment developments (as more fully described herein). **The Agency may also provide a preference to developments using Commonwealth-sponsored pilot programs**, **developments providing employment opportunities for property or community residents, developments or Applicants evidencing meaningful participation in Section 811 program or meeting specific market needs or Agency housing goals.**

Preferences for certain types of housing have been established as minimum goals by the Agency in meeting certain housing needs of the Commonwealth. Applicants may be considered in more than one category and will have been deemed to have met both for purposes of meeting the stated housing goals. Due to the limited amount of 2017/2018 Tax Credits which may be available, these minimum goals may be adjusted or modified accordingly. Applicants meeting more than one of these categories may be advantaged during the ranking/scoring process.

1. General Occupancy - The Agency will reserve Tax Credits to, at a minimum, three (3) general occupancy properties in each Pool.

2. Senior Occupancy 62+ with Services - The Agency will reserve Tax Credits to, at a minimum, two (2) senior occupancy developments targeting persons 62 years of age and above in each Pool. Eligibility for this preference will require demonstration that services will be provided to residents to enable them to continue to live independently.

3. Preservation Developments – The Agency will reserve Tax Credits to, at a minimum, three (3) preservation properties in each Pool. To be considered eligible for this preference, existing affordable properties should demonstrate that Tax Credits are necessary to extend the long term affordability and habitability of the development or that there is a likelihood of conversion to market rate housing (which must be supported by a current market study in a form and substance acceptable to the Agency). The Agency will conduct a comprehensive site visit on all preservation properties and will review the capital needs assessment, occupancy and financial reports and supplemental information to identify those properties which demonstrate the greatest need of preservation.

4. Supportive Housing – The Agency will reserve Tax Credits to, at a minimum, two (2) developments in each Pool which promote supportive housing opportunities to targeted populations including persons who are homeless; non-homeless households requiring supportive services including those with mental, physical, sensory, or developmental disabilities; persons with substance abuse disorders; persons diagnosed with HIV/AIDs and related diseases; and other special populations approved by the Agency on a case-by-case basis (which may include consideration for the specialized needs associated with affordable housing for veteran households). Designated units must be rented only to the target population (subject to fair housing laws). The Agency may determine to fund only one Supportive Housing development from this preference each pool if the Application has a very high score and the amount of tax credits requested exceeds $1,200,000. Eligible Applicants may include those eligible and willing to participate in the HUD Section 811 Demonstration Program.

5. Innovation in Design - The Agency will hold a juried competition encouraging demonstrated innovation in housing which may be illustrated through excellence in design, implementation of current and future energy efficient technologies and materials and leveraging community and capital resources and will reserve Tax Credits to the winning development(s). See Checklist in 2017/2018 Guidelines for materials needed to participate in the competition. The selected Applicant will work with the Agency to establish, document and employ the best practices for future housing policies and standards.

6. Strategic Investment – The Agency will reserve Tax Credits to, at a minimum, three (3) Applicants in each Pool which the Agency determines support specific housing economic opportunities (such as areas of housing shortage due to Marcellus Shale, urgent community needs or other unusual economic development pressures) or the overall housing goals of the Commonwealth, as determined by the Agency.

   The Agency, in its discretion, may consider any Application for Strategic Investment. The Agency may consider regional distribution, scale of community impact, extraordinary market and population needs, unique funding and leveraging opportunities, (such as HUD's Choice Neighborhoods Initiative), disaster recovery response and competitive rankings of Applications, in making Strategic Investment awards including how the development maximizes the inclusion of affordable accessible units in its design.

7. Community Revitalization/Mixed Income **(Urban Pool only)** –The Agency will reserve Tax Credits to, at a minimum, three (3) developments which support a broader community revitalization program which has the capability of changing fundamentally the character of a neighborhood, enhancing the lives and amenities available to residents of the community, is focused on implementing a "mixed income" strategy, and/or which seeks to counteract the pattern through which some metropolitan areas are being segregated by income or race.

   The Agency will look at how, in measurable terms, the following aspects are associated with the comprehensive revitalization program of which the development is a part:

   - Supports the construction and rehabilitation of housing to meet the needs of households of all income types, including the very low income
   - If the development proposes to offer rents at or close to the Tax Credit program maximum (i) the availability of housing choice vouchers to make some of its units affordable to the area's lowest income households and/or (ii) the projected existence elsewhere in the neighborhood of development(s) that can be expected to provide such affordability
   - Access to public transportation
   - Access to public parks and open space
   - Access to community serving enterprises
   - Encourages the reuse and rehabilitation of existing infrastructures
   - Coordination of proposed site amenities that enhance the overall neighborhood
   - Coordination with an overall community revitalization effort
   - Of sufficient size and scope to have a significant and lasting positive impact on the community (including increasing or stabilizing tax base and economic diversity)
   - Expands quality of life and fulfills a need for health care choices and other crucial service opportunities for residents of the community
   - Municipal support articulated in a publicly approved community plan or in the form of significant funding commitments
   - Presence of supporting local neighborhood initiatives
   - Consistent with the local community's plan to affirmatively further fair housing.

8. Areas of Opportunity **(Suburban/Rural Pool only) -** The Agency will reserve Tax Credits to, at a minimum, three (3) developments which expand housing opportunities and design choices in areas suitable for long-term economic growth with an existing or planned infrastructure to support future growth in the area, in order to promote mixed-use and/or mixed-income development within a community setting. These developments will be located in areas of strong schools and employment opportunities and in communities which may have not received representative resources in the past.

<u>Nonprofit Set-Aside</u>

The Agency will continue to encourage development by nonprofits which have demonstrated commitment to improving the living environment, public health, or safety of local populations in Tax Credit developments and will target a minimum of twenty-five percent (25%) of the state per capita allocation amount towards developments involving qualified nonprofit organizations (the "Nonprofit Set-Aside"). To be eligible, all nonprofits must meet the following requirements:

A nonprofit organization will qualify for consideration under the Nonprofit Set-Aside if it is described in paragraphs (3) or (4) of Section 501(c) of the Code, is exempt from tax under Section 501(a) and will materially participate in the Tax Credit development throughout the compliance period. In addition, the nonprofit organization must have the fostering of low income housing as one of its exempt purposes. The nonprofit organization must own (directly or through a partnership) at least a 51% interest in the general partner of the partnership entity in accordance with current laws and IRS regulations throughout the development's compliance period. The nonprofit organization may neither be an affiliate of, nor controlled by, a for profit

organization. An opinion of counsel addressing the status of the nonprofit organization and qualification for the Nonprofit Set-Aside may be required.

Priority may be given to nonprofits which have a substantial base of operations within the county or municipality of the proposed development. To show a substantial base of operations, the nonprofit must demonstrate that it has provided quality charitable services to persons in the county or municipality without substantial interruption for at least the last two years, or performed other such activities which demonstrate, to the satisfaction of the Agency, that the organization will further the living environment, public health, or safety of persons in the proposed development. The Agency may require certification of IRS Form 990 filings and evidence of good standing with all nonprofit IRS filing requirements.

Requests for Additional Tax Credits

In its discretion, the Agency may allocate such Additional Tax Credits to developments holding a reservation of Tax Credits to support its financial feasibility. Additional Tax Credits are only available for developments that have closed on their equity investment or can demonstrate the capacity to secure an equity investment, satisfactory to the Agency. Qualified Applicants must neither have changed any selection criteria nor made any significant modifications, as determined by the Agency, from the initial Application.

SELECTION OF APPLICATIONS

The Agency will strive to reserve Tax Credits in a manner which results in a geographic distribution statewide. Applications for Tax Credits will be evaluated and ranked based on the Selection Criteria. It is the Agency's intent to follow the preferences established for targeting resources and will award Tax Credits to the highest scoring Applications meeting the stated preferences. Provided Tax Credits are available after the Agency determines that the preferences have been met, the Agency will award Tax Credits to the next highest ranking Application. In the event the Agency determines that an Application has been delayed or faces substantial cost burdens due to some good cause beyond the control and dominion of the Applicant, especially in the event there is a NIMBY or legal challenge to siting of an otherwise viable project, the Agency may provide a preference to fund the Applicant for an alternative viable project which meets similar goals and housing targets in an alternative location (which meets at least a minimum score under the Allocation Plan). The Agency recognizes that lower ranking Applications may be awarded Tax Credits in order to meet the stated preferences, however, the Agency has determined that in order to receive an award of Tax Credits, an Application must meet a minimum point threshold of eighty-five (85) points.

ADDITIONAL RESOURCES, SUBSEQUENT EVENTS AND SUPPLEMENTAL INFORMATION

The amounts available in each Set-Aside, Pool or Preference may be adjusted by the Agency at any time to ensure adequate and appropriate funding of the Applications meeting the Agency's goals and Program criteria. Should additional Tax Credits or additional resources become available for whatever reason at any time in 2017/2018, especially federal or State funding program opportunities for a specific population such as veterans, emergency response, persons with special needs or persons with disabilities or unique land bank financing opportunities, the Agency will not issue an amendment to this Allocation Plan but will instead make allocations of such additional Tax Credits or resources based upon priorities and preferences set forth in this Allocation Plan as it deems appropriate.

In the event there are changes in federal law subsequent to the adoption of this Allocation Plan or additional regulatory guidance or clarifications regarding the Tax Credit Program become available, the Agency reserves the right to modify, to supplement or to make conforming amendments to this Allocation Plan and all related documents without formal amendment or additional public hearings. In addition to notifying affected Tax Credit Program Applicants, information about such subsequent changes will be posted on the Agency's website at *www.phfa.org*.

The amounts available in Set Aside or Pool may be adjusted by the Agency at any time to ensure adequate and appropriate funding of the Applications meeting the Program criteria. Further, the Agency may allocate more than the available Tax Credits in each Set-Aside or Pool in order to fully fund a project reservation which has scored sufficient points to warrant funding but for which funds remaining in the Set-Aside or Pool cannot fund the full credit amount needed for feasibility. For developments returning Tax Credits from a previous or current year's allocation, the Tax Credits may be redistributed at the Agency's discretion.

After the Agency reserves Tax Credits for 2017/2018 Applications, the Agency may allocate such Tax Credits as may be available to any Application which either did not receive a reservation or which needs additional credits to fully support its financial feasibility. In addition, the Agency may make binding commitments to allocate Tax Credits through a forward allocation process based on geographic distribution, specific project needs, housing goals or program considerations in the sole discretion of the Agency. ensure that it will be able to completely allocate year 2017/2018 Tax Credits prior to the end of the year. Applicants may not apply for or request a forward allocation.

Tax Credits are not guaranteed to any party, regardless of the ranking or points achieved through the evaluation process. The Agency will review the geographic location, developers and types of projects to attempt to achieve distribution throughout the Commonwealth. In addition, the Agency may impose a $1,200,000 per developer per cycle maximum on the Tax Credits or otherwise restrict the amount of Tax Credits to any particular developer or project. Based upon the demand for Tax Credits and development rankings, the Tax Credits reserved for any one Applicant (or related entity or material participant) or development in any specific jurisdiction or within a particular Set-Aside may be limited at the discretion of the Agency. Furthermore, Applications with costs that the Agency deems to be excessive based on the facts and circumstances may be rejected or suspended from processing. Moreover, the Agency reserves the right to amend, modify or waive specific nonmaterial submission requirements or requisite documentation to achieve affordable housing programs or affirmatively further fair housing in the Commonwealth.

MAXIMUM PER UNIT BASIS LIMITATIONS

The Agency has established a maximum basis per unit limit of $250,000 ("Maximum Basis"). The Agency may consider a waiver of this limit for developments with a significant number of larger bedroom counts. Maximum Basis includes all depreciable costs normally included in the eligible basis determination for rehabilitation or new construction (not including the developer's fee or cost of acquisition). Maximum Basis for the purposes of this calculation may be determined after the deduction for commercial space costs but prior to the pro rata reduction for historic tax credits and other nonqualified financing and costs normally not included in eligible basis.

If the Maximum Basis per unit, as previously described, exceeds the established limits, Agency staff may waive the Maximum Basis per unit for some developments. An Agency waiver of the established limits will be based upon the demonstration of compelling circumstances and justification for the additional basis eligible costs. Compelling circumstances are limited to costs predominately related to the preservation of a designated historic building or necessitated by building in or adjacent to a designated historical district; construction costs attendant to providing supportive services to the resident population that are over and above that typically associated with such housing, including reasonable costs related to the construction of community service facilities; costs due to structurally unsuitable subsoil conditions; costs associated with environmental remediation of an existing building that will remain in the development; up-front capital expenditures related to energy efficiency systems that exceed threshold requirement and will result in demonstrable savings in utility costs to the development, including solar, geothermal, or other innovative energy savings techniques and costs resulting from local conditions or attempts to exclude affordable housing (this may include excessive impact fees, building code requirements, restrictive zoning, extraordinary litigation costs incurred because of neighborhood opposition and planning requirements). For those properties seeking to exceed limits based on costs due to historic considerations, unsuitable subsoil conditions, costs associated with environmental remediation, or up-front capital expenditures related to energy efficiency systems that will result in demonstrable savings in utility costs, evidence must be provided that such costs are in excess of expenditures

required for eligibility for Tax Credits. In addition, a detailed cost breakdown must be provided indicating the difference between the costs for these items and those of typically constructed developments. Applicants must provide full explanation of all alternative site considerations and provide adequate justification of the need for the development at the identified location or a full explanation and adequate evidence of cost savings. For Applications affected by local attempts to exclude affordable housing, Agency staff will not approve Tax Credits above 30 percent of the Maximum Basis limitation. For all other circumstances, Agency staff will not approve Tax Credits above 15 percent of the Maximum Basis limitation. A waiver of the Maximum Basis limitation is solely determined by the Agency.

Developments located in a "qualified census tract" or "difficult development area", as established by HUD, may qualify for Tax Credits based on 130 percent (130%) of the eligible rehabilitation/new construction basis.

Tax Credits in an amount up to 130 percent (130%) of the eligible rehabilitation/new construction basis may also be considered where appropriate by the Agency for Applicants which demonstrate that they have excess development expenses and costs related to:

- Their location in areas of the Commonwealth with limited federal, state, local or financial resources; or
- Their provision of general occupancy units in “areas of opportunity”, as defined by the Agency or their siting in order to affirmatively further fair housing or in areas that have not received representative resources in the past; or
- Their provision of supportive housing opportunities; or
- Community impact developments with mixed income (of at least 15 percent market rate units) or mixed use components (commercial space of at least 15 percent of the square footage of the development).

Applications for tax-exempt bond volume cap and the associated 4% Tax Credits are ineligible for the discretionary 30% boost of the eligible rehabilitation/new construction basis.

APPLICATION THRESHOLD CRITERIA

The Agency has determined that the following minimum development characteristics will be considered threshold criteria for all developments seeking Tax Credits. The Agency may waive the requirement of a specific amenity if compelling circumstances exist, or if the inclusion of such amenity adversely affects the financial feasibility of the development or if, due to the nature of the rehabilitation of the development, the inclusion of such amenity is cost prohibitive. The Agency will review the architectural documents submitted with the proposal to confirm the existence of the proposed amenities. A certification from the design architect verifying the inclusion of the amenities in the development must be submitted with the Application. Confirmation from the construction contract administration architect is required with the submission of the cost certification documents. For Applications not requiring the services of an architect, the certifications may be provided by the general contractor. Amenities should be appropriate for the proposed resident population. Verification of the availability of all amenities may be required by the Agency at any time and throughout the development’s compliance period.

1. Development Amenities – The following Development Amenities must be included in the proposed development. (Please note that the Applicant should seek independent tax advice as all of the costs of the following amenities may not be includible in eligible basis.)

- On-site Community Room. The community room must be one room and should be of sufficient size to accommodate the residents and services to be provided. The community room in senior housing developments should include a kitchen or kitchenette that will be available to all residents.

    - An on-site community room will not be required for developments with 11 units or less or scattered site properties. Applications which are a continuation of a phased development (or are adjacent to an existing affordable housing property serving the same targeted population group) will be required to provide space sufficient to meet the size requirements below based on the aggregate of the number of units in all phases. (For the cost of a community room or building that is shared with the tenants of multiple phases to be included in Tax Credit eligible basis, it must qualify as a community service facility. Please consult with an accountant or attorney experienced in Section 42 issues for additional information regarding this issue.) The Agency may consider a long term agreement with an existing community facility within walking distance from the development as evidence of meeting this requirement.
    - The community room should contain at least 15 net square feet per unit for properties between 12 and 50 units. Community rooms in developments with more than 50 units should be at least 750 square feet in size. The square footage required shall be in addition to the kitchen or kitchenette, where provided.

- Laundry Facilities. Common laundry facilities or the provision of individual washers and dryers in each unit are required. If a common laundry is provided in a development that will be converted to homeownership, hook-ups for a washer and dryer must be provided in each unit. If the development contains a common laundry facility, the following requirements must be met:

    - For general occupancy developments: one washer and dryer per 12 units, with a minimum of two washers and two dryers required at each laundry facility.
    - For elderly developments: one washer and dryer per 20 units, with a minimum of two washers and two dryers required at each laundry facility.
    - A minimum of one front load washer and dryer is required for each laundry facility and will be required in accessible units containing a washer and dryer in the unit.
    - All washing machines, whether development owned or vendor owned, must be Energy Star® labeled.

- Air Conditioning. For new construction or substantial rehabilitation developments, all common spaces (except stair towers, mechanical rooms and storage rooms) must be air conditioned.

    - Preservation or moderate rehabilitation properties may be required to include air conditioning as part of the proposal if financially feasible and deemed reasonable by the Agency.

- On-site Management Office. An accessible on-site management office will be required for all developments except those containing 11 units or less or scattered site properties. Applications which are a continuation of a phased development with a total of more than 11 units that do not include a management office in the current Application will be required to provide evidence of a management office in one of the prior phases.

2. Unit Amenities – The following Unit Amenities must be included in the proposed development.

- The net area of all dwelling units must fall within the limits listed below. (Net area is measured from the interior finish surface of the unit perimeter walls, and shall include all rooms, corridors, interior walls, storage areas, and mechanical spaces.) Rehabilitation developments may vary from the maximums and minimums by 10 percent. Preservation developments shall strive, but are not required, to meet this requirement. Accessible units may vary from the maximums as required to provide an accessible route and accessible clearances.

	FLATS	MULTI-FLOOR UNITS
SRO	90 to 200 sq.ft.	
EFF	400 to 600 sq.ft.	
1 BR	550 to 850 sq.ft.	650 to 950 sq.ft.
2 BR	700 to 1,100 sq.ft.	850 to 1,300 sq.ft.
3 BR	950 to 1,350 sq.ft.	1,000 to 1,550 sq.ft.
4 BR	1,100 to 1,550 sq.ft.	1,200 to 1,750 sq.ft.
5 BR	1,300 to 1,750 sq.ft.	1,400 to 2,000 sq.ft.

- Air conditioning shall be supplied to living areas and all bedrooms of each unit. Individual window units will not be considered as meeting this criterion, except in preservation developments.

- Refrigerators, ranges and ovens will be required in all units except for developments containing SRO units provided that such properties have common cooking facilities containing these appliances.

- Window treatments in all residential units are required. Window treatments include venetian blinds, vertical blinds, or other opaque blinds. Roller shades will not be considered in this category.

3. VisitAbility – The following dwelling unit types shall meet the VisitAbility requirements: 100% of newly constructed single family homes, townhouses, and units in elevator buildings; all ground floor units in walk-up apartment buildings. Rehabilitation developments should strive for 100% compliance, but at least 25% shall meet the VisitAbility requirements. Properties unable to comply with this requirement due to physical constraints or building type may apply for a waiver from this threshold requirement. To meet VisitAbility design features, the building and units must have at least one zero-step entrance with a 36-inch wide door; all doorways and passages on the entry level floor should have a width of 36 inches; there should be a clear pathway to a bathroom or powder room; such bathroom or powder room should include a minimum 24-inch grab bar beside the toilet on a reinforced wall, which can also serve as a towel bar; and there should be a clear pathway to the living room and dining area of the unit. The VisitAble powder room or bathroom must provide maneuverability clearances in accordance with the Fair Housing Act Design Manual. (Preservation developments are exempt from this requirement but are encouraged to provide VisitAble units where feasible.)

4. Fair Housing Act - All new construction developments shall be designed in conformance with the Fair Housing Act Design Guide standards, as applicable. Substantial rehabilitation developments shall also be designed in accordance with the Fair Housing Act Design Guide, as applicable, but may seek a waiver from the Agency where existing conditions prohibit 100% compliance. Blocking for future grab bars shall be continuous behind the bar location and sized to accommodate the grab bars required by ANSI A117.1-2009.

5. Phase I Reports – A Phase I Environmental Site Assessment prepared in accordance with ASTME 1527-13 and the Agency requirements found in the Submission Guide for Architects is required for all developments. The report cannot be more than 12 months old at the time the Application is submitted. An

updated report provided by the original report's environmental consultant may be provided when the original report is between 12 and 24 months old at the time the Application is submitted. Only the executive summary of the Phase I report shall be submitted in the Application. The summary shall be accompanied by a certification from the sponsor stating that any issues raised in the environmental review have been reviewed and budgeted for accordingly in the development budget. For existing buildings scheduled for rehabilitation or preservation developments, the Phase I report must also include the results from the following tests: lead in water, lead-based paint, asbestos and radon. Cost estimates for any remediation work shall be provided and included with the Phase I executive summary.

6. Development Sustainability and Energy Conservation Measures –

- All new construction and rehabilitation developments must meet the mandatory measures outlined in the 2015 Enterprise Green Communities Criteria (see www.enterprisecommunity.com/criteria) which set forth minimum standards for design, location, site improvements, water conservation, energy efficiency, materials beneficial to the environment, healthy living, and operations and maintenance of the development. Preservation developments shall meet the mandatory measures found in the "Design Architect's/Applicant's Certification of Threshold Criteria" in the Guidelines. (Not required if Applicant commits to achieving certification under one of the Green Building Standards listed in the Selection Criteria.)

- Additionally, for new construction and rehabilitation developments, the overall U-value of the exterior building envelope must exceed the requirements of the 2009 International Energy Conservation Code Chapter 4 by 10% for buildings three stories or less in height as verified by a REScheck certificate. Buildings four or more stories in height must exceed the requirements of the 2009 International Energy Conservation Code Chapter 5 by 3%, as verified by a COMcheck certificate. Air sealing of the exterior building envelope and attic plane shall be included. Trade-offs available in the REScheck or COMcheck software for mechanical equipment will not be allowed. (Not applicable to preservation developments.)

- In new construction and rehabilitation developments, all appliances, HVAC equipment with a capacity less than 60,000 btuh, gas fired water heaters, windows, ceiling fans, exhaust fans, range hoods and exit signs shall be Energy Star® labeled when such equipment and appliances exist. (Exceptions: programmable thermostats do not need to be provided, and windows in buildings over three stories in height may comply instead with ASHRAE Standard 189.1-2009.) (Packaged terminal air conditioners (PTACs) and packaged terminal heat pumps (PTHPs) may only be used if it can be proven that they comply with the prescriptive requirements of Energy Star ®Version 3.0 for air-source equipment.) In addition, 100% of the permanent room light fixtures in the dwelling units shall be equipped with LED bulbs, or high efficiency fluorescent with electronic ballasts; and 100% of the community room and common area corridor and stair lighting shall be fluorescent with electronic ballasts or shall utilize LED bulbs.

- In preservation developments, existing refrigerators more than 15 years old shall be replaced with Energy Star® labeled type. Existing heat pumps, air conditioning condensing units, and through-wall air conditioners more than 20 years old shall be replaced with Energy Star® labeled type, when such equipment exists. Existing furnaces and boilers more than 25 years old shall be replaced with Energy Star® labeled type, when such equipment exists. (Programmable thermostats do not need to be provided.) In addition, existing community room, common area corridor and stair lighting more than 15 years old shall be replaced with fluorescent fixtures with electronic ballasts or fixtures that utilize LED bulbs. Where windows are scheduled for replacement, replacement should be made with Energy Star® qualified products, except in buildings over three stories in height, where window replacement may comply instead with ASHRAE Standard 189.1-2009.

- All developers must certify that when existing equipment, appliances and products are replaced, they will be replaced with Energy Star® labeled equipment, when such equipment exists.
- All developments must meet the Additional Threshold Green Building Criteria set forth in the 2017/2018 Guidelines.

Please review the Multifamily Housing Application and Guidelines for specific sustainability and energy conservation requirements.

7. Affordability of Units - Developments must provide a financing plan which evidences that at least ten percent (10%) of the low income units in Urban Areas and five percent (5%) of the low income units in Suburban/Rural Areas are affordable to persons at or below twenty percent (20%) of the area median income, adjusted for family size. For developments consisting of all low income units, at least half of these units must be accessible. For mixed income developments containing market rate units, 5% of the units must be accessible. (Existing affordable developments with a demonstrated average occupancy rate of 90 percent or above over last 5 years may be exempt from having to meet the twenty percent (20%) area median income requirement for these units.) The development must evidence a viable plan to charge rents at levels affordable to persons at or below twenty percent (20%) of area median income for these units throughout the compliance period. In the event the plan includes utilization of Project Based Section 8 and appropriation for such assistance is not renewed (provided that non-renewal is not due to the development's default on program obligations), the twenty percent (20%) area median income requirement may be waived with the consent of the Agency for reasons beyond the development's control. An agreement shall be in place with appropriate referring entities (including those supported through programs of the Department of Human Services) to assure that sufficient referrals for tenancy are received from households who are income-eligible and/or in need of the accessibility features. Additionally, the Agency may require additional applicable program restrictions to comply with its award of project-based subsidy from HUD of Section 811 Demonstration Program funds or similar program opportunities. The Restrictive Covenant Agreement will require that the extremely low rents are maintained and that a corresponding number of units are marketed to and set aside for such extremely low income households throughout the compliance period.

8. Broadband Infrastructure – The installation of broadband infrastructure is required in all new construction and substantial rehabilitation developments, in compliance with Federal Register 81 FR 31181 "Narrowing the Digital Divide through Installation of Broadband Infrastructure." Installation of broadband infrastructure is encourage, but not required, in preservation developments.

9. Smoke-Free Developments – The applicant shall certify that, at construction completion, the Applicant will design and implement a policy prohibiting the use of prohibited tobacco products in all units, common areas and outdoor buildings within 25 feet from all of the buildings in the development.

APPLICATION SELECTION CRITERIA

General Processing Information

Upon receipt of the Application, the Agency will review the site and market information contained in the Application and will conduct a development site visit if the Agency deems the development to be financially feasible based on the information submitted in the Application. The Agency anticipates that the number of Applications will significantly exceed the amount of Tax Credits availability for allocation, therefore, the Agency may use amount of resources available and readiness to proceed and commence construction as factors in making these determinations.

The Agency will review the Application and assign points based on the Selection Criteria. Applications will be underwritten by the Agency at the adjusted gross pay-in provided in the Application but the Agency may adjust the pay-in during underwriting based upon market conditions, the targeted resident population or investor information (including adjustors, conditions and contingencies). A development must address a

substantial number in each of the six categories of Selection Criteria in order to qualify for a reservation of Tax Credits. The Agency has established a minimum point threshold of eighty-five (85) points for Applications during the Year 2017/2018 Tax Credit Program. The Agency reserves the right, at any time, to require submission of such documentation or additional support as it deems necessary to evidence any of the items set forth herein including, without limitation, additional independent market studies, independent appraisals, evidence of property location and accurate deed and title information, investor data and equity letters, partnership agreements, independent capital needs assessments and opinions of qualified tax counsel or certified public accountants and will impose additional documentation or clarifying information as further set forth herein and in the 2017-2018 Guidelines.

All Tax Credit reservations are made based upon the information contained in the Application. Unless specifically directed or approved by the Agency, changes or supplements to an Application during the processing period for ranking are not permitted. Changes in an Application made by the Applicant after a reservation is received affecting any of the Selection Criteria features will result in reconsideration of the ranking and may lead to a "rescission" of the conditional reservation. As a reminder, certain Selection Criteria will be incorporated into the Restrictive Covenant Agreement and monitored during the compliance period. Changes in any of the Selection Criteria subsequent to issuance of an IRS Form 8609 may result in noncompliance, may lead to specific enforcement action against the development and may result in the loss of Tax Credits to the development and its investors, and disqualification for program participation in the future.

The scoring and ranking of an Application does not guarantee funding by the Agency. In the event the Agency departs significantly or materially from the ranking and scoring criteria, it shall document such departure if required by the Code. De minimus adjustments, as determined by the Agency, are authorized.

The Selection Criteria are set forth in Exhibit SC2017-2018.

RANKING OF DEVELOPMENTS

Applications will be evaluated to determine the amount of Tax Credits required to make the Application economically feasible and to ensure the Application's long term viability. If two or more developments have the same ranking within a Set-Aside, Pool or Preference and only one Application can be awarded Tax Credits, the Agency will select the Application that has a higher percentage of units available to residents whose incomes are at or below 50 percent of area median gross income as compared to total number of Tax Credit eligible units. If the Applications have the same percentage of units serving residents at or below 50 percent of area median income, the Agency may select the Application that it determines best fits the Agency's affordable housing priorities and achieves geographic distribution. In any instance, the Agency may favor selection of an Application which best evidences an ability to proceed.

The Agency's determination as to the amount of Tax Credits reserved for or allocated to an Application shall not be construed by the developer, lender, or any other interested party to be a warranty of the Application's feasibility and viability, nor shall such determination constitute a representation of compliance with any requirements of the Code.

DEVELOPER'S FEE

The developer's fee, which is meant to compensate the developer for staff time, effort and work involved in the development of the property, includes developer's expenses, overhead, profit and consulting fees or other fees and costs that are above the maximums allowed by the Agency. Development consultant's fees and organizational costs are required to be paid from the developer's fee. These fees may not be listed and shall not be recognized as separate line items on the Application.

The maximum "base" developer fee allowable (except as limited below) is calculated on the lesser of the development's replacement cost (less all costs of acquisition) or the Agency's maximum basis. For developments that have 25 or more units, the developer's fee is limited to 15 percent of the first $10 million of

replacement cost of the development less all costs of acquisition and 10 percent on every $1 of replacement cost thereafter. For developments of 24 units or less, the developer's fee is limited to 20 percent of the replacement cost of the development less all costs of acquisition.

In determining the maximum base developer fee the following criteria must also be considered:

- The developer's fee to be earned on Applications from existing Tax Credit properties with the same or a related party or affiliated entity as the general partner on the original Application may not exceed twelve percent (12%) of replacement cost less all costs of acquisition.
- The developer's fee to be earned on Applications from subsequent phases of a project previously awarded tax credits may not exceed twelve percent (12%) of replacement costs less all costs of acquisition.
- For rehabilitation and preservation developments that qualify for Acquisition Tax Credits, a developer's fee will be allowed on a portion of the acquisition cost that is basis eligible. The fee may not exceed 10 percent of the purchase price of the property less the cost of the land. The maximum acquisition cost that will be recognized in determining the developer's fee will be the lesser of the actual amount paid for the building or the MAI appraised value. The Agency may limit the acquisition developer's fee to 5 percent if the seller and buyer are related parties.
- The Agency may impose a developer's fee cap of $1,500,000 per development on the total developer's fee allowable for costs associated with both the rehabilitation and acquisition of the development.
- Additional developer's fee will not be available for Applications requesting Additional Tax Credits.
- Requests for an increase in the amount of the maximum base developer fee after the initial award of Tax Credits will not be accepted.

In addition to the maximum base developer fee, Applicants may request an additional five percent (5%) developer fee. The five percent (5%) is determined exclusive of acquisition costs. The Applicant must commit to provide to the development the entire amount of the equity raised for the additional developer's fee to fund an internal rent subsidy for all threshold required units set aside for persons at or below twenty percent (20%) of area median income for the initial fifteen (15) year compliance period and/or to subsidize rents to persons with income at or below forty percent (40%) of the area median income for the initial 15 year compliance period; or to fund a supportive services escrow for the provision of social supportive services for the benefit of the residents (provided the plan for services is satisfactory to the Agency). Funds deposited in an internal rent subsidy will be limited to the difference between the twenty percent (20%) /forty percent (40%) rent and the rent at fifty percent (50%) of area median income, as applicable. The Agency reserves the right to determine the exact mechanism necessary and appropriate to ensure funding of the internal rent subsidy or supportive service escrow based on specific tax issues and ownership structure. Additionally, during the initial fifteen (15) year compliance period, the Agency may review, approve and monitor utilization of the internal rent subsidy or supportive service escrow funds. For developments not receiving Agency financing, Agency staff will only approve an increased developer's fee if the Applicant provides adequate assurances and documentation (including evidence of a third party escrow arrangement) that an amount of funds equal to the increased equity raised from the additional developer's fee is necessary to support financial operations and will be committed to the Project for at least the initial fifteen (15) year occupancy period. Whenever an increased developer's fee is allowed, the partnership or operating agreement must provide that the approved developer's fee will, in fact, be paid to the developer from available funds (which may include development sources, operating revenue and additional capital contributions). Additionally, provision of funds for supportive services or to fund various internal rent subsidies will be incorporated in the Restrictive Covenant Agreement.

TAX EXEMPT FINANCED DEVELOPMENTS

All tax exempt financed developments utilizing Tax Credits in their financing plan must submit a Tax Credit Application. Applications received on or before July 1, 2017 will be evaluated in accordance with the 2016 Tax Credit Allocation Plan and the 2016 Guidelines. In the event the Agency accepts an Application after

July 1, 2017, such Applications will be evaluated using the 2017/2018 Allocation Plan and Guidelines. Developments receiving tax exempt financing for at least 50 percent (50%) of the aggregate basis of the property including land are not required to receive an allocation of Tax Credits through competitive allocation from the Agency. The eligible basis of the development would qualify for the Tax Credits without competing through the regular allocation process; however, the Agency requires that the Application meet the threshold criteria and minimum threshold points under the Selection Criteria. Developments receiving tax exempt financing on less than 50 percent (50%) of the aggregate basis will be eligible for Tax Credits on only that portion of the eligible basis financed by the tax exempt bonds. For the remaining portion, the owner must apply and compete for an allocation of Tax Credits from the Agency in the established allocation process, but the Agency may adjust the threshold for qualified applicants.

Only that amount of Tax Credits that is necessary to ensure feasibility and long term viability will be issued on the IRS Form 8609. See the applicable Agency Guidelines for the appropriate documentation to be submitted and the applicable timeframes.

Because of the competitive nature of Tax Credits, the Agency may require certain applicants to pursue Tax Exempt financing as an alternative to seeking 9% Tax Credits. Specifically, developments which have access to federal resources may be required to provide information regarding the financial feasibility with Tax Exempt financing. Additionally, for developments seeking Tax Exempt financing, the Agency may waive such timelines, processing and program requirements, in its discretion, to encourage and facilitate such financings. The Agency may also allow costs per unit above Maximum Basis limits and may allow higher developer's fees for developments using this funding source.

SUBSIDY LAYERING REVIEWS

Pursuant to Section 911 of the Housing Community Development Act of 1992, HUD published administrative guidelines concerning subsidy layering review of Tax Credit developments receiving assistance from the HUD's Office of Housing. The guidelines provide for the delegation of subsidy layering reviews for certain programs to Tax Credit allocating agencies. Pennsylvania requested and has been delegated this subsidy layering review responsibility. Section 911 guidelines provide the Tax Credit allocating agencies with standards for evaluating builder's profit, developer's fee, syndicator expenses, and net syndicator proceeds. The guidelines include both a safe harbor standard and ceiling standard for each category. The Tax Credit allocating agency may simply use the safe harbor standards or through the Allocation Plan may raise the safe harbor standards to the published maximum ceiling standards. The Agency has elected to raise the safe harbor guidelines to the maximum ceiling standards established for the Section 911 layering review since the ceiling standards are within the fee and cost limitations already established for the Tax Credit Program.

The Agency has also been approved to conduct subsidy layering reviews for Applications with proposed Section 8 Project-Based Voucher Housing Assistance Payments Contracts, and will conduct these reviews in accordance with the Administrative Guidelines published in the July 9, 2010, Federal Register (or as subsequently amended or supplemented).

Beginning in 2012, the Agency entered into a tri-party Memorandum of Understanding with HUD and the USDA – Rural Development wherein the Agency conducts subsidy layering reviews for Applications with Section 515 program assistance or other federal assistance subject to federal subsidy layering review requirements. The Agency may charge fees to process these reviews as set forth in the Guidelines.

PLACED-IN-SERVICE/CARRYOVER ALLOCATION

All developments receiving a conditional reservation of Year 2017/2018 Tax Credits must either be placed in service by December 31, 2017 or, by the date set forth in the Reservation Letter, be eligible for a carryover allocation of Tax Credits pursuant to Section 42 (h)(1)(E) of the Code. All processing deadlines for Carryover Allocations must be met. The Agency reserves the right to update or amend the Carryover Allocation deadlines and processing timeframes and will publish any and all modifications on its website.

To qualify for a Carryover Allocation, an owner must, by the required date set forth in the Reservation Letter, have evidence of ownership of the land or the depreciable real property that is part of the proposed development. The Agency may, in its sole discretion, accept either an Attorney's Opinion Letter or a Certified Public Accountant Letter that certifies that the owner has carryover allocation basis for the development pursuant to the Code; or an owner's certification which includes sufficient identification of the property (i.e. legal descriptions, surveys, title insurance) to assign building identification numbers. In making this certification, the owner accepts full responsibility for all discrepancies, errors or omissions of properties and acknowledges that subsequent adjustments may require Internal Revenue Service approval. Additionally, no later than or such date set forth in the Reservation Letter, owner must incur more than 10 percent (10%) of the "reasonably expected basis" in the property, including land. The "reasonably expected basis" is that basis which is expected to be incurred as of the close of the second calendar year following the calendar year of the Carryover Allocation. See the 2017/2018 Guidelines for further details and additional processing deadlines which will be posted to the Agency's website, *www.phfa.org*.

PROCESSING PROCEDURES

Developments receiving a conditional reservation of Tax Credits are subject to the 2017/2018 Guidelines and in the event the initial reservation is modified or amended, the 2017/2018 Guidelines shall remain in force and effect for the property. However, the Agency may amend the 2017/2018 Guidelines from time to time to further comply with Tax Credit Program requirements or to enable Agency staff to better fulfill its administrative duties and such changes would be applicable to the development.

The Agency reserves the right, in its sole discretion upon review and approval of a committee of the Board, to provide an allocation of Year 2017 or 2018 Tax Credits to a development, without requiring re-ranking under the Year 2017/2018 Allocation Plan. The development must be currently holding a valid allocation of Tax Credits and, due to circumstances beyond its control, be unable to meet Tax Credit program placed in service deadlines. The Tax Credits will be allocated upon release and return of the prior allocation. Such circumstances may include delays caused by local government's opposition to affordable housing; delays due to the failure of the federal government to release funding program guidelines or regulations in a timely manner or due to temporary freezes in federal government budget authority for program activity; or similar extraordinary and compelling basis (and but for such circumstance, Agency program deadlines and requirements would have been met). Notwithstanding the above, developments which need additional Tax Credits to be viable for their equity closing must submit a new Application for funding with the Agency. Such developments will not be considered for substitution of Tax Credits if their Application has substantially changed. Further, the Agency will generally not consider any other Applications for Tax Credits for a new development submitted by the same applicant (or related entity or material participant) during the same or subsequent funding round for Tax Credits if it provides this extraordinary relief due to the developer's inability to meet placed in service deadlines.

DEVELOPMENTS WITH MULTIPLE BUILDINGS

A development may include multiple buildings if it has similarly constructed units, is located on the same or contiguous tracts of land, is owned by the same federal taxpayer and is financed pursuant to a common plan of financing. A development with multiple buildings that is proposing a mixed income structure must have low-income units in each building of the development. Scattered site buildings on noncontiguous tracts of land may also qualify if the development meets all of the other requirements described above and the development is 100 percent rent and income restricted, however, costs associated with the development of a separate community building may not be eligible for Tax Credits unless the building contains a residential rental unit.

COMPLIANCE

Owners are responsible for ongoing compliance with all requirements of the Code and the Agency's Compliance Program Manual, including such rules, regulations, administrative revenue proclamations and revenue rulings as may be issued from time to time.

Each owner of a Tax Credit development must execute an agreement setting forth allowable occupancy and use restrictions, owner responsibilities and continuing Section 42 qualified development characteristics. This agreement, the "Restrictive Covenant Agreement," must be recorded for the maximum period required by the Code and no Tax Credits may be claimed by a property owner in any taxable year unless the Restrictive Covenant Agreement is in effect and is appropriately recorded on the property in the county land records.

The Agency will monitor each Tax Credit development for compliance with the Code. Such requirements may change from time to time and the protocol for compliance monitoring may be adjusted as deemed necessary or appropriate by the Agency. In addition to monitoring for all federal requirements, developments will be monitored for compliance with the occupancy standards, Selection Criteria and other covenants set forth in the Restrictive Covenant Agreement. A form authorizing the release of compliance information is on the Agency's website, *www.phfa.org.* However, the Agency may release related information even if no release form is submitted.

The Agency has established an interactive database ("PA Housing Search") for all affordable housing units in developments participating in any of the Agency's multifamily housing programs, to provide a resource for households seeking affordable housing throughout the Commonwealth and to provide a marketing tool to owners. All developments receiving Tax Credits must participate in this data collection effort, which may also include submission of a resident survey, and will be expected to provide information including, but not limited to unit amenities, household size, household income and move-in information and any ongoing unit vacancies in a secure and timely manner. Owners are reminded that they must comply with the Agency's Accessible Unit Policy (see 2017/2018 Guidelines). Additionally, owners must participate in the Agency's energy benchmarking program.

All owners must keep the following records for each qualified low income building in the development for each year of the compliance period: the number of residential units in the building, the number of low income units in building, the number of occupants in each low income unit, the number of bedrooms in each unit, the square footage of each unit, the rent charged on each unit including the utility allowance, the low income unit vacancies in the building and the rentals of the next available unit for each building in the development including when and to whom it was rented. The owner must also keep documentation of the eligible basis and the qualified basis of the building as of the end of the first year of the Tax Credit period. Owners must also keep a record of the annual income certification of low income residents along with documentation to support the certification. (Effective January 1, 2009, Owners with 100% of the units qualified as Tax Credit units do not have to provide annual income certifications but must provide updates on household composition, student status and rent on the Agency's on-line compliance reporting system or on PA Housing Search. In addition, subsequent data collection efforts may be applicable to the Development and each Owner must agree in advance to participate in these data collection initiatives which may include availability and occupancy of accessible units and submission of tenant and project paid utility documentation for the entire development.) Owners renting to holders of Section 8 certificates or vouchers may ask the public housing authority issuing the certificates or vouchers to provide a statement declaring that the resident's income does not exceed the applicable income limit under the Code. Any nonresidential portion of a building included in the eligible basis of the building must demonstrate its availability to all residents in the building at no additional cost to the residents.

Records for the first year of the Tax Credit period must be retained for at least 6 years beyond the due date (with extensions) for filing the federal income tax return for the last year of the compliance period of the building. In all subsequent years of the Tax Credit period, records must be kept by property owners for a minimum of 6 years after the due date (with extensions) for filing the federal income tax return for the year.

The Agency will also review and monitor developments for compliance with required certification submissions. Owners must provide certification at least annually to the Agency, under penalty of perjury, through the Agency's on-line compliance reporting system, as to the following: the development meets the requirements of the elected minimum set-aside test; the applicable fraction, as defined in Section 42(c)(1)(B) of the Code, of each building in the development has not changed, or, if there was a change, a description of the change; owner has received the annual income certification from each low income resident along with supporting documentation; the low income unit is rent restricted under Section 42(g)(2) of the Code; all units are available to the general public and used on a non-transient basis and no finding of discrimination under the Fair Housing Act has occurred for the development; each building is suitable for occupancy pursuant to local health, safety and building codes and meets all habitability standards for the Tax Credit Program; the building's eligible basis pursuant to Section 42(d) of the Code has remained the same (or if there was a change, the nature of the change); and any resident facility in the building is available to all residents in the building on a comparable basis without a separate fee charged to the resident. Furthermore, owners must certify that no low-income resident of a Tax Credit property will be or has been evicted or otherwise had their lease terminated other than for good cause and owner must confirm that all leases state this affirmatively. **The Agency requires a copy of the form of lease with Agency's Lease Addendum to be submitted**. Experience as a victim of domestic violence alone may not constitute good cause for eviction under the terms of the lease (if other occupancy rules are met) and all applicable Violence Against Women Act provisions must be met. Owner must also certify that if a low income unit becomes vacant, reasonable attempts will be made to rent that unit to a qualified low income resident, and while that unit is vacant no units of comparable or smaller size may be rented to a non-qualified low income resident. If a low income resident's income rises above the limit established in Section 42(g)(2)(D)(ii) of the Code, all available units of comparable or smaller size in that building must be rented to an income qualified resident. Owner must also certify that an extended low income housing commitment, as described in Section 42(h)(6) of the Code, was in effect for all qualified low income buildings in the development. Owner must also certify that a unit lease has not been refused to a Section 8 applicant because the applicant holds a Section 8 voucher or certificate. Owner's certifications of these items must be submitted at least annually or with such greater frequency as may be required by the Agency. The Agency may adjust any and all of its compliance protocols as it deems appropriate throughout the compliance period and the extended use term covered by the Restrictive Covenant Agreement.

The Agency may review the information set forth on the certifications at any time for compliance with the Code. On-site inspections of all Tax Credit developments will be held from time to time, at the sole discretion of the Agency, for compliance with the certification requirements, habitability standards, rent records, lease provisions, supporting documentation and all record keeping requirements in the low income units. Physical inspections of all buildings and at least 20% of all low income units are performed at least once every three years. The Agency will determine which developments and which records it will inspect and how often such inspections will be conducted in its discretion. The Agency retains the right to perform on-site inspections at any time during the compliance period for any Tax Credit development or to conduct more frequent or more detailed site visits if the Agency deems it appropriate. As referenced above, the Agency may also require submission of ongoing data from each property regarding move-ins and vacant units.

Audited financial statements must be submitted annually to the Agency's Compliance Monitoring Department for all properties with twenty (20) or more units. If audited financial statements are not available, a compilation must be prepared and submitted to the Agency's Compliance Monitoring Department. (Applications for Tax Credits in any year may be rejected from organizations or individuals who have not submitted to the Agency the audited financial statements for a Tax Credit development for the preceding tax year.)

As required by the IRS, in the event the owner or the development does not comply with any of the provisions of the Code, the Agency will provide written notice to the owner that specifies a correction period that may not exceed 90 days, unless extended by the Agency in writing. Upon the expiration of the correction period set forth in the written notice to the owner, the Agency must file IRS Form 8823 "Low Income Housing Credit Agency Report of Noncompliance" ("IRS Form 8823") with the IRS to advise the IRS of the existence of an event of noncompliance with an explanation of the nature of the event and whether the owner has

corrected the noncompliance. Any change in either the applicable fraction or eligible basis resulting in a decrease in the qualified basis will be treated as an event of noncompliance. In addition, any failure to provide required information to the Agency on a timely basis in accordance with its written request or the procedures established in Agency directives or set forth in its Compliance Program Manual may be treated as an event of noncompliance and may result in the filing of IRS Form 8823. Failure to continually meet the requirements of the use, occupancy and other conditions relevant to the operation of the development, as set forth in the Restrictive Covenant Agreement, may be treated as an event of noncompliance and may result in the filing of IRS Form 8823. After the initial fifteen (15) year compliance period, Owners must continue to comply with all terms and conditions of the Restrictive Covenant Agreement and provide supplemental data and information upon request.

The Agency will assess owners an upfront compliance fee designed to cover administrative expenses associated with the performance of compliance monitoring. Additional fees may be charged, as necessary and appropriate, for any property.

The Housing and Economic Recovery Act (HERA) of 2008 requires each state Credit allocating agency to provide HUD with information on the race, ethnicity, family composition, age, income, use of federal rental assistance, disability status, and monthly rental payments of households residing in each property receiving Housing Credits. All developments receiving Tax Credits must participate in this data collection effort and will be expected to provide the required information in the form, manner and timeframe required by the Agency.

EXHIBIT URBAN

The following urban areas qualify for Application submission in the Urban Pool of the 2017/2018 Program Year.

Allegheny County

City of Pittsburgh

Berks County

City of Reading

Blair County

City of Altoona

Cambria County

City of Johnstown

Dauphin County

City of Harrisburg

Delaware County

City of Chester

Erie County

City of Erie

Lackawanna County

City of Scranton

Lancaster County

City of Lancaster

Lawrence County

City of New Castle

Lebanon County

City of Lebanon

Lehigh County

City of Allentown

City of Bethlehem

Luzerne County

City of Hazelton

City of Wilkes-Barre

Lycoming County

City of Williamsport

Northampton County

City of Bethlehem

City of Easton

Philadelphia County

City of Philadelphia

York County

City of York

Exhibit SC2017/2018
Selection Criteria

A. Community and Economic Impact *30 points*

It is the goal of the Agency to encourage affordable housing in areas with job opportunities; in areas near strong and stable communities and in areas which demonstrate the capacity for community revitalization opportunities. The Market Study /Needs Assessment must identify the criteria set forth in the Community and Economic Impact Selection Criteria for ranking consideration in this category. To that end, up to 30 points may be awarded to developments located in areas that demonstrate the following relative to the immediate market area:

1. Underserved Areas – up to twenty (20) points

   a. General Occupancy - Areas of Opportunity – up to eighteen (18) points

      - Low poverty rates
      - Limited affordable housing options, both subsidized and non-subsidized
      - Limited affordable housing production in past twenty (20) years
      - Close proximity to employment
      - Strong housing markets
      - High owner-occupied markets

   b. General Occupancy – School Performance Standards – up to two (2) points

      The Agency may award up to two (2) points to those developments located in a school district whose senior high school scores the following Building Level Academic Score set forth in the Pennsylvania State Performance Profile listed at www.paschoolperformance.org:

Percentage	**Points**
≥70%-80%	1
>80%	2

   c. Senior Occupancy Developments –

      - Large number of seniors eligible for affordable housing
      - Limited affordable housing options, both subsidized and non-subsidized
      - Limited affordable housing production in past twenty (20) years
      - Close proximity to amenities for the senior population, including health and retail establishments, home health agencies, and hospitals.

AND/OR

2. Community Revitalization

   a. For New Construction and Substantial Rehabilitation Properties:

      Community Revitalization Plans, Evidence of Municipal and Local Support, Access to Transportation and Existing Infrastructure and Community Resources and Suitability of Site – A critical circumstance is the development's forming an important part of a broader or comprehensive program of neighborhood improvement which has the capability of changing

fundamentally the character of that neighborhood or enhancing the lives and amenities available to residents of the community. Such improvement should include the provision of mixed income housing. A program of neighborhood improvement includes municipal support articulated in a publicly approved community plan or in the form of significant funding commitments, or evidence of substantial major investment in the area that is consistent with a comprehensive plan for neighborhood improvement which may include contributing to a transit oriented design initiative. Such funding commitments or major investments cannot be derived solely from the development of Tax Credit properties and may include proposals participating in: Main Street, Elm Street, Neighborhood Partnership or other programs of the Commonwealth, the Agency's Homeownership Choice Programs; New Markets Tax Credits, the Healthy Village Initiative of the Local Initiatives Support Corporation; the Blueprint Communities Initiative of the Federal Home Loan Bank or similar community support programs. Additionally, the plan should generally include municipal support, private investment and/or private sector commitments to the area or evidence infrastructure in place to support the development. The Agency will consider in its evaluation of community impact the use of existing housing or buildings if the development is not located in a qualified census tract. Up to twenty (20) points may be awarded in this category as follows:

- Community Revitalization Plan – The Agency may award five (5) points for developments contributing to an existing community revitalization plan. To qualify for points in this category, the applicant must submit a letter from an official of the local government explaining how the development will contribute to the community revitalization plan. The letter should be specific to the proposal and must identify the official title of the community revitalization plan along with the year in which it was adopted. The Agency may accept a copy of the community revitalization plan in lieu of a letter from the local government in the event the developer is unable to obtain such a letter. A county or municipal zoning or land use plan does not qualify as a community revitalization plan.

- Significant Funding Commitments and Coordination with Other Housing and Community and Economic Development Programs – The Agency may award up to five (5) points to proposals that demonstrate further coordination between other housing and community and economic development programs stated above and evidence of significant funding commitments as part of the major investment in the area.

- Mixed-Income Housing – The Agency may award up to two (2) points for developments which incorporate market rate units as part of the unit mix. In order to qualify for points, at a minimum fifteen percent (15%) of the units shall be targeted as market rate units.

- Transit-Oriented Design – The Agency may award up to two (2) points to developments located within one-half mile of a completed or planned public transportation fixed route stop.

- Walkability – The Agency may award up to two (2) points for developments which have the following walk scores according to www.walkscore.com (for scattered site projects, a walk score will be obtained for each site and a weighted average based upon number of units at each site will be calculated):

Urban		Suburban/Rural	
Percentage	**Points**	**Percentage**	**Points**
≥80	2	≥70	2
≥70-79	1	≥50-69	1

- Site – The Agency may award up to four (4) points to developments based upon site suitability for the proposed use. Site suitability will be based on the following features: unit size mix, including number of efficiency units; neighborhood amenities; access to site; appropriateness of site for targeted tenant population; availability of sufficient parking; location relative to flood plain; neighborhood nuisances; condition of neighborhood; building on agricultural land; if scattered site, overall impact on the neighborhood; completed project's improvement to or impact on the neighborhood including, but not limited to, crime reduction.

b. For Preservation Properties:

Developments seeking consideration for the Preservation Preference must demonstrate the need for Tax Credits to extend the affordability period of the existing property to ensure the continued availability of long-term subsidy or to address immediate health and safety concerns of the development. Points will be awarded based upon the following factors: ability to convert to market, loss of long-term subsidy, need for immediate health and safety improvements, good faith compliance with original extended use commitments, financial impact of proposed improvements (including energy efficiency upgrades) and economic impact on the existing community. Additional consideration will be given for those developments which include municipal support articulated in a publicly approved community plan or in the form of significant funding commitments, or evidence of substantial major investment in the area that is consistent with a comprehensive plan for neighborhood improvement which may include contributing to a transit oriented design initiative. Up to 20 points may be awarded in this category as follows:

- Significant Funding Commitments and Coordination with Other Housing and Community and Economic Development Programs – The Agency may award up to three (3) points to proposals that demonstrate further coordination between other housing and community and economic development programs stated above and evidence of significant funding commitments as part of the major investment in the area.

- Risk of Loss Due to Market Conversion or Sale – The Agency may award up to four (4) points to developments which are at risk of conversion to market rate housing. To be eligible for consideration, applications must include evidence that Section 8 project based or similar affordability restrictions expire within twelve (12) months from the date of application. Additionally, evidence of sustained occupancy greater than ninety percent (90%) over the last five (5) years must be provided.

- Risk of Loss Due to Critical Physical Needs – The Agency may award up to four (4) points to developments which are beyond fifteen (15) years of initial loan closing and tax credit placed-in-service date and at least one major physical plant component must be replaced or repaired or there is evidence of the need for an immediate health or safety improvement. Applicants must demonstrate that there has been a good faith effort to keep the property up to Uniform Physical Condition Standards.

- Mixed-Income Housing – The Agency may award up to two (2) points for developments which incorporate market rate units as part of the unit mix. In order to qualify for points, at a minimum fifteen percentage (15%) of the units shall be targeted as market rate units.

- Transit-Oriented Design – The Agency may award up to two (2) points to developments located within one-half mile of a completed or planned public transportation fixed route stop.

- Walkability – The Agency may award up to two (2) points for developments which have the following walk scores according to "www.walkscore.com" (for scattered site projects, a walk score will be obtained for each site and a weighted average based upon number of units at each site will be calculated):

Urban		**Suburban/Rural**	
Percentage	**Points**	**Percentage**	**Points**
≥80	2	≥70	2
≥70-79	1	≥50-69	1

- Site – The Agency may award up to three (3) points to developments based upon site suitability for the proposed use. Site suitability will be based on the following features,: unit size mix, including number of efficiency units; neighborhood amenities; access to site; appropriateness of site for targeted tenant population; availability of sufficient parking; location relative to flood plain; neighborhood nuisances; condition of neighborhood; building on agricultural land; if scattered site, overall impact on the neighborhood; completed project's improvement to or impact on the neighborhood.

B. Development Characteristics *25 points*

The Agency may award up to twenty-five (25) points for the provision the following development amenities.

- Smart Site Selection – points may be awarded to the following types of properties:

  - up to five (5) points may be awarded to those developments located on a brownfield;
  - up to seven (7) points may be awarded to those developments considered residential infill; and
  - up to ten (10) points may be awarded to those developments consisting of an adaptive reuse of an existing building.

- Certification under a national Green Building Program.

  Ten (10) points may be given to new construction and substantial rehabilitation developments achieving certification under one of the following green building standards:

  - Enterprise Green Communities – 2015
  - LEED v4 BD+C Homes & Multifamily Lowrise (1-3 stories) – Silver
  - LEED v4 BD+C Multifamily Midrise (4-8 stories) – Silver
  - LEED v4 BD+C New Construction & Major renovation (over 8 stories) – Silver
  - ICC/ASHRAE 700 National Green Building Standard - Silver

Ten (10) points may be given to preservation developments achieving certification under one of the following green building standards:

- Enterprise Green Communities – 2015 – Moderate Rehab
- LEED v4 O+M – Multifamily - Certified
- ICC/ASHRAE 700 National Green Building Standard – Silver
  - Under Section 305.3 – Whole Building Rating – Bronze
  - Under Section 305.4 – Functional Areas Rating – Compliant with Chapter 12 (must include kitchens and bathrooms)

- Energy Efficiency Goals –

  - Reduced HERS Index – five (5) points may be awarded to those developments that exceed the requirements of Energy Star® Version 3.0 by achieving a lower HERS Index as specified in the Guidelines. (Points in this category are not available if seeking points for Passive House.)

  - Passive House – ten (10 points may be awarded to those developments which meet Passive House Requirements (nationally or internationally) for energy efficiency. (See Multifamily Housing Application and Guidelines and "www.passivehouse.us" or "www.passivehouseacademy.com" for additional guidance.)

Please review the 2017/2018 Guidelines for specific requirements for the above criteria.

The Agency will review the architectural documents submitted with the proposal to confirm the existence of the proposed amenities. A certification from the design architect verifying the inclusion of the amenities in the development must be submitted with the Application. Confirmation from the construction contract administration architect is required with the submission of the cost certification documents. Amenities should be appropriate for the proposed resident population. The appropriateness and adequacy of the proposed amenities for ranking purposes will be determined at the sole discretion of the Agency. Verification of the availability of all amenities may be required by the Agency at any time and throughout the development's compliance period.

C. Resident Population and Services *55 points*

1. Income and Rent Targeting – The Applicants may be awarded up to twenty (20) points for developments that are designed to be substantially occupied by and affordable to residents with incomes that are at or below 50 percent of the area median income. Points will be considered for the following percentages of units affordable to and occupied by residents whose incomes are at or below 50 percent of area median income:

Percentage	Points
>10-20%	4
>20-30%	8
>30-40%	12
>40-50%	16
>50%	20

2. Designated Populations & Supportive Services – To receive points in this category, the development will provide evidence that appropriate services will be provided for the entire resident population for the duration of the compliance period. Evidence consists of a supportive services plan that:

   - Is specific to the development and effectively addresses the anticipated service needs of the target resident population.

General occupancy developments should deliver or coordinate services that: improve building and unit maintenance; stabilize occupancy by improving residents' ability to uphold their lease obligations; and enhance quality of life through increased self-sufficiency and programs that improve life skills, employment, education, income/asset building, child and youth development, community building, and access to services.

Senior occupancy developments should deliver or coordinate services that: stabilize occupancy by improving residents' ability to uphold their lease obligations throughout the aging process and enhance quality of life through improved access to services and benefits, health promotion, community building, and socialization.

Developments for populations with special needs should deliver or coordinate services that stabilize occupancy by improving residents' ability to uphold their lease obligations and enhance quality of life through improved access to services that support the needs of the targeted population.

- Includes sufficient funds to implement the described plan of services. It is recommended that this funding be set aside in a supportive services escrow account. However, funding through the development's annual operating budget, collaboration with a community-based service provider (include letter of intent or Memorandum of Understanding) or funds from other identified sources may be used. If currently committed funds fall short of the cost of services for at least the first fifteen year period, identify how services will be funded for the remainder of the compliance period.
- Utilizes a service provider/coordinator with the capacity to implement described plan of services. The recommended minimum is one hour of on-site dedicated staffing per week for every five units. Services staff should have access to a computer with Internet and email capabilities. There should be sufficient space to carry out the described services, including adequate office and community space.

Satisfactory completion of the above three factors are the minimum requirements for 5 points. Demonstrated commitment of sufficient funds for at least 15 years and meeting or exceeding the recommended minimum on-site staffing may result in an additional 5 points.

Confirmation from the service provider regarding the availability of applicable services at initial occupancy of the development will be required prior to issuing the IRS Form 8609. To ensure the continued provision of supportive services, the Restrictive Covenant Agreement will reflect such commitment.

3. Accessible Units – Consideration may be given to developments where the developer agrees to provide twice as many fully accessible units as are otherwise required (under local, state, or federal mandate, whichever is greater) in the development. All employee units and market rate units must be included in the total unit count when calculating the required number of accessible units. The developer must certify that these units are accessible and that, during initial lease up, the developer will exclusively reserve the units for occupancy by persons needing the accessible units for the first thirty days. Thereafter, the developer will include certain provisions in the lease to allow the units to be occupied by persons who need the accessible features of the units, to the greatest extent feasible. Evidence of enforcement of the lease provisions will be required and implementation and adherence to additional outreach programs to identify and match qualified residents who need the accessible features within the development may be required throughout the compliance period which may include contacting the Agency prior to renting the unit to persons who do not require the accessible features in accordance with the Agency's Accessible Unit Policy.

   Terms addressing the accessible units and the subsequent rental of these units will be incorporated in the Restrictive Covenant Agreement. In addition, a certification from the design architect verifying the inclusion of the accessible units in the development will be required at the

time of application. Confirmation from the construction contract administration architect will be required with the submission of the cost certification documents. For preservation developments, consideration will be given for points under this category if the development increases the number of fully accessible units which meet current standards in the development by at least 5 percent of the total units available. If an existing development already has twice the federal minimum number of accessible units that meet current accessibility standards, they will be eligible to receive points in this category. (All other requirements applicable to rental and long term occupancy of these units are the same.) (Ten (10) points)

4. Large Families – Up to ten (10) points may be awarded for those developments providing units with three or more bedrooms for large families. High rise developments and senior housing cannot qualify for this category. Points will be considered for developments that include the following percentages of units with three or more bedrooms:

Urban		**Suburban/Rural**	
Percentage	**Points**	**Percentage**	**Points**
>15-20%	6	>10-15%	6
>20-25%	8	>15-20%	8
>25%	10	>20%	10

A certification from the design architect verifying the number of large family units in the development will be required at the time of application. Confirmation from the construction contract administration architect will be required with the submission of the cost certification documents. For developments not requiring the services of an architect, the certifications may be provided by the general contractor.

5. Section 811 Participation – Up to five (5) points may be awarded to those developments with applicants and/or management agents that agree to include Section 811 units designated for persons with disabilities ages 18-61 in existing properties or those under development which received a previous award of Tax Credits. Consideration will be given if an applicant enters into an Agreement to Enter into a Rental Assistance Contract or a Rental Assistance Contract for eligible Section 811 properties on or before December 28, 2017. For consideration as a management agent, entities must have/or will have experience in the Section 811 program, satisfactory to the Agency, by December 28, 2017.

Urban (including Allegheny County)		**Suburban/Rural**	
Units	**Points**	**Units**	**Points**
10-20%	3	5-10%	3
20-25%	5	10-15%	5

D. Development Process *30 points*

1. Noncompliance – The Agency may deduct up to ten (10) points from the score for proposals involving either an Applicant (or any related entity) that owns a managing or controlling interest in a Pennsylvania Tax Credit development or a management agent of such development who has unresolved IRS Form 8823 noncompliance issues, has not met the requirements of the Restrictive Covenant Agreement, has failed to submit a timely Placed-in-Service/Cost Certification package which resulted in a loss of Tax Credits to the Agency, early termination of a Tax Credit project or failed to meet the selection criteria for which an allocation of Tax Credits was made.

2. Development Team – Material Participation of Minority, Women's and Veteran's Businesses – The Agency may award up to ten (10) points for material participation in the development team by a minority-owned business, woman-owned business, veteran-owned business or service-disabled veteran-owned business which meets eligibility criteria of the Small Diverse Business Program ("SBD") operated by the Department of General Services. A non-profit entity is eligible to receive points as an Owner/Developer or Management Agent if a minimum of fifty-one percent (51%) of the members of their board are minorities, women or veterans as evidenced by the non-profit's organizational documents. Furthermore, the Agency encourages business opportunities for new or underutilized small diverse businesses in the development team.

Firm/Entity	**1%-4.99% of Total Development Cost**	**≥5% of Total Development Cost**
Professional Services	1 point	2 points
General Contractor	1 point	2 points
Sub-Contractors/Vendors	1 point	2 points

Firm/Entity	**Points for Participation**
Owner/Developer	3 points
Management Agent - (Minimum 2 year contract)	2 points

3. Ability to Proceed – Points may be awarded for zoning and committed funding sources. As the Agency strives to make resources available to those projects which can quickly and effectively utilize its resources, consideration will be given to those properties which can demonstrate the ability to proceed. A total amount of 20 points may be awarded in this category.

   - Zoning - Up to five (5) points will be available for developments which demonstrate that current zoning is in place to allow for the proposed construction or rehabilitation on all sites included in the Application, to the satisfaction of the Agency.
   - Commitment of Funds (Up to fifteen (15) points) – The developer must provide evidence, satisfactory to the Agency, that all funding commitments from public and private lenders have been secured. A minimum level of funding as determined by the Agency based upon availability in both Participating Jurisdictions and Non-Participating Jurisdictions will be required for consideration in this category. Evidence of said commitments shall include a firm commitment of funding and shall set forth the terms and conditions of said funding. Points will be awarded as follows:

- Inclusion of Private Capital and Soft Debt Funds – The Agency may award up to eight (8) points for the inclusion of permanent amortizing debt and soft financing which may include financing from state or local programs, nonprofit organizations, private capital, and permanent funding from foundations and/or federal programs. This category includes equity from historic tax credits and land and/or building donation (subject to verification by a current appraisal). This category does not include a PennHOMES or PHARE Program request that has not been approved. Applications with a donation or a reduction in development-related fees (i.e., tap-in, impact, recreational and/or other development rights by the local government unit/municipality) may also be included. The reduction must be measurable and based upon an existing fee schedule that applies to all developments.

  Comparison will be made between total qualifying soft financing and total development costs, with possible points granted as follows:

Participating Jurisdiction Percentage	**Nonparticipating Jurisdiction Percentage**	**Points**
5-10%	2-5%	2
>10-20%	>5-10%	4
>20-30%	>10-20%	6
>30%	>20%	8

- Inclusion of Assumed Debt on Preservation or Related Party Financing – The Agency may award up two (2) points for the existing debt on preservation projects or substantial rehabilitation projects as follows:

Percentage	**Points**
≥10-30%	1
>30%	2

- Inclusion of Funding Applied For and To Be Applied For – In accordance with the Code, all applications must identify all sources of funding (including those to which the Applicant expects to apply). The Agency may award up to two (2) points for identified funding listed as applied for or to be applied for. To be considered for points in this category, the amount may not exceed twenty-five percent (25%) of developer fee and Applicant must provide evidence of the commitment to reinvest developer fee in an amount equal to the amount of the identified funding. The Agency will use this funding as a source in determining the Tax Credit award.

Percentage	**Points**
≤15%	1
≤25%	2

- Inclusion of Project Based Unit Subsidy – The Agency may award up to two (2) points for the inclusion of Project Based Section 8 assistance or ACC subsidy for at least fifty percent (50%) of the units in the development.
- Evidence of Tax Abatement – The Agency may award up to one (1) point for developments that provide evidence of receipt of a real estate tax abatement from the municipal taxing authority.

E. Development Cost Savings *10 points*

The Agency may award up to ten (10) points to Applications which demonstrate costs less than the median total development costs of the total Applications submitted. The Agency will determine the median total development cost per square foot (less the cost of acquisition, reserves and commercial space) and will award points based on certain ranges as stated below. Preservation Applications and those located in Philadelphia will not be included when determining the median costs in a cycle. The Agency will award points to Preservation and Philadelphia Applications as they compare against each other. For all other developments, the Agency will award points based upon the construction type: single family/townhouse, multi-story multifamily buildings, and adaptive re-use buildings as they compare against each other. In addition to submission of certifications that the building as designed and as constructed will meet/meets all labor and material standards set forth in applicable local or statewide codes (without sacrificing unit size and other building amenities), the Agency reserves the right to require additional certifications from local officials or building design professionals prior to the issuance of an IRS Form 8609 for the building or to conduct its own site visits during construction to ensure that the quality of construction is not compromised by cost savings.

Percentage Below Median Total Development Cost	**Points**
At least 10%	5
≥15%	10

Total Points Available *150 points*

Pennsylvania National Housing Trust Fund
Guidelines for New Construction and Rehabilitation

New Construction and Rehabilitation Standards:

The goal of the Pennsylvania Housing Finance Agency's (PHFA) National Housing Trust Fund (HTF) program, the Low Income Housing Tax Credit (Tax Credit or LIHTC) program and all of PHFA's housing programs is to provide decent, safe and sanitary housing. At a minimum, this is any residential building that meets the Pennsylvania Uniform Construction Code (PA UCC), all local codes and ordinances, and the requirements of PHFA's Submission Guide for Architects as applicable. The dwellings shall have all of the following features:

- Be structurally sound, weather-tight, and in good repair and contain a safe electrical wiring system adequate for lighting and other customary electrical devices.
- Contain a heating system capable of sustaining a temperature of 70 degrees.
- Be adequate in size related to the number of rooms and area needed to accommodate the number of occupants.
- Include a separate, well lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system.
- Include a kitchen area that includes a sink, properly connected to potable hot and cold water and to a sewage drainage system, an appropriately sized range and refrigerator, and adequate storage and counter area.
- Contain an unobstructed exit to safe, open space at ground level. If located in a multifamily building, it shall have direct access to a common corridor, with the code required number of means of egress.

The Pennsylvania Uniform Construction Code (PA-UCC) consists of the 2009 International Building Codes as modified by specific portions of the 2015 International Building Codes and as noted below:

The PA-UCC Administration and Enforcement regulation has adopted the following codes for use throughout the Commonwealth of Pennsylvania, effective 12/31/2015. Only the appendices specified after each code name have been adopted (in addition to the code itself).

International Building Code 2015 Sections:

- Section 304.1 concerning "Business Group B" uses and occupancies.
- Section 306.2 concerning "moderate-hazard factory industrial, Group F-1" uses and occupancies.
- Section 2902.3 concerning exceptions for "employee and public toilet facilities."
- Section 902.1 (relating to definitions) to the extent that "Automatic Water Mist System" was added.
- Section 904.2 (relating to installation of automatic fire-extinguishing systems).
- Section 904.2.1 (relating to restrictions on using automatic sprinkler system exceptions or reductions).

- Section 904.11 (relating to automatic water mist systems).
- Section 904.11.1 (relating to design and installation requirements).
- Section 904.11.1.1 (relating to general requirements for design and installation).
- Section 904.11.1.2 (relating to actuation).
- Section 904.11.1.3 (relating to water supply protection).
- Section 904.11.1.4 (relating to secondary water supply).
- Section 904.11.2 (relating to water mist system supervision and alarms).
- Section 904.11.2.1 (relating to monitoring).
- Section 904.11.2.2 (relating to alarms).
- Section 904.11.2.3 (relating to floor control valves).
- Section 904.11.3 (relating to testing and maintenance).
- Section 907.2.11.3 (relating to installation of smoke alarms near cooking appliances).
- Section 907.2.11.4 (relating to installation of smoke alarms near bathrooms).
- Chapter 11 is adopted and requires that buildings and facilities also comply with the accessibility requirements found in other chapters of the International Building Code 2015 and in the ICC/ANSI A117.1 2009 Accessible and Usable Buildings and Facilities standard.
- Appendix E (Supplementary Accessibility Requirements) is adopted.

International Building Code 2009 (base code, except for accessibility, for all buildings and structures not regulated by the *International Residential Code*)

- Chapter 1 is not adopted (most of its requirements are incorporated in Chapter 403 of the UCC regulation).
- Chapter 27 (Electrical) requires that all electrical components, equipment and systems in buildings and structures covered by the IBC comply with the requirements of NFPA 70-2008, National Electric Code.
- Chapter 30 (Elevators) is not adopted. Elevator requirements are found in Chapter 405 of UCC.
- Only Appendix H (Signs) is adopted.

International Energy Conservation Code 2015 Sections:

- Section R202 only to the extent that this section contains the definition of "insulated siding."
- Section R402.2.4 (relating to access hatches and doors).
- Section R402.2.8 (relating to floors).
- Table R402.4.1.1 only to the extent the row for "floors" was amended.
- Section 402.1.3 (relating to r-value computation).

International Energy Conservation Code 2009 (One & two family detached dwellings and townhouses may instead comply with the Pennsylvania Alternative Residential Energy Provisions developed by the Pennsylvania Housing Research Center)

International Existing Building Code 2015

- Section 406.3 (relating to replacement window emergency escape and rescue opening).

All accessibility provisions as follows:

- Section 107.2 (relating to Temporary Structures and Uses);
- Section 410 (relating to the Prescriptive Compliance Method);
- Section 605 (relating to Repairs);
- Section 705 (relating to Level 1 Alterations);
- Section 801.1 (relating to Level 2 Alterations);
- Section 806 (relating to Level 2 Alterations);
- Section 901.2 (relating to Level 3 Alterations);
- Section 906 (relating to Level 3 Alterations);
- Section 1006 (relating to Change of Occupancy);
- Section 1012.1.4 (relating to Change of Occupancy);
- Section 1012.8 (relating to Change of Occupancy);
- Section 1101.2 (relating to Additions);
- Section 1105 (relating to Additions);
- Section 1204.1 (relating to Historic Buildings);
- Section 1205.15 (relating to Historic Buildings);
- Section 1401.2.5 (relating to Performance Compliance Methods);
- Section 1508 (relating to Construction Safeguards); and
- Appendix B.

International Existing Building Code 2009

- Work on existing, non-residential buildings can comply with these code requirements or Chapter 34 of the *International Building Code 2009*.
- All appendices and resource information are adopted.

International Fire Code 2015 Sections:

- Section 202 limited to changes to definitions for "Business Group B" and "Automatic Water Mist System."
- Section 902.1 (relating to definitions) to the extent that "Automatic Water Mist System" was added.
- Section 904.2 (relating to relating to installation of alternative fire-extinguisher systems).
- Section 904.2.1 (relating to restrictions on using alternative fire-extinguisher systems exceptions or reductions).
- Section 904.11 (relating to automatic water mist systems).
- Section 904.11.1 (relating to design and installation requirements).
- Section 904.11.1.1 (relating to general requirements for design and installation).
- Section 904.11.1.2 (relating to actuation).
- Section 904.11.1.3 (relating to water supply protection).

- Section 904.11.1.4 (relating to secondary water supply).
- Section 904.11.2 (relating to water mist system supervision and alarms).
- Section 904.11.2.1 (relating to monitoring).
- Section 904.11.2.2 (relating to alarms).
- Section 904.11.2.3 (relating to floor control valves).
- Section 904.11.3 (relating to testing and maintenance).
- Section 907.2.11.3 (relating to installation of smoke alarms near cooking appliances).
- Section 907.2.11.4 (relating to installation of smoke alarms near bathrooms).

International Fire Code 2009

- Adopted only **to the extent referenced** in the *International Building Code 2009*.

International Fuel Gas Code 2009

- Any LPG requirements are superseded by the requirements of Pennsylvania's Propane and Liquefied Petroleum Gas Act (and regulations)
- No Appendices are adopted.

International Mechanical Code 2015 Section:

- Section 507.2 of the International Mechanical Code of 2015 (relating to commercial kitchen hoods, "Type 1")

International Mechanical Code 2009

- No Appendices are adopted.

International Performance Code for Buildings and Facilities 2009 (provides alternative compliance approach)

International Plumbing Code 2009

- No Appendices are adopted.

International Residential Code 2015 Sections:

- Section N1101.6 only to the extent that this section contains the definition of "insulated siding."
- Section N1102.2.4 (relating to access hatches and doors).
- Section N1102.2.8 (relating to floors).
- Table N1102.4.1.1 only to the extent that amendments were made to the "Floors" row of this table.
- Section N1102.1.3 (relating to r-value computation).
- Table R302.1(1) (relating to requirements for exterior walls).
- Section R316.5.11 (relating to sill plates and headers).
- Section R317.1.4 (relating to wood columns).

- Section R507.1 (relating to decks).
- Section R507.2.4 (relating to deck lateral load connection).
- Section R507.4 (relating to decking).
- Section R507.5 (relating to deck joists).
- Section R507.5.1 (relating to lateral restraint at supports).
- Section R507.6 (relating to deck beams).
- Section R507.7 (relating to deck joist and deck beam bearing).
- Section R507.7.1 (relating to deck post to deck beam).
- Section R507.8 (relating to deck posts).
- Section R507.8.1 (relating to deck post to deck footing).
- Table R507.4 (relating to maximum joist spacing).
- Table R507.5 (relating to deck joist spans for common lumber species).
- Table R507.8 (relating to deck post height).
- Figure R507.2.3(2) (relating to deck attachment for lateral loads).
- Figure R507.5 (relating to typical deck joist spans).
- Figure R507.6 (relating to deck beam span lengths).
- Figure R507.7.1 (relating to deck beam to deck post).
- Figure R507.8.1 (relating to typical deck posts to deck footings).
- Section M1503.4 (relating to "make-up air required" for range hoods).
- Section M1601.4.1 (relating to "joints, seams, and connections" for duct construction) is adopted only with regards to Exception No. 3.

International Residential Code 2009 (code for one- and two-family dwellings no more than 3 stories in height)

- Only Appendix G (Swimming Pools, Spas and Hot Tubs) is adopted.

International Wildland-Urban Interface Code 2009 (supplementary requirements that may be used to mitigate fire- and life-safety hazards in unique wildland areas)

LIHTC and HTF Requirements:

All Tax Credit and HTF projects are required to be designed by and all drawings must bear the appropriate seal of a Registered Architect or Professional Engineer.

All applications for Tax Credits and HTF must include a certification from the project architect stating that certain threshold criteria will be included in the development. The list of threshold criteria can be seen at:

http://www.phfa.org/forms/multifamily_application_guidelines/submission/tab_08/tab_08_04.pdf

PHFA Standards:

New Construction and Substantial Rehabilitation:

Standards for new construction and substantial rehabilitation for projects receiving HTF, HOME funds and an allocation of Tax Credits can be found in the following Tabs of the PHFA Submission Guide for Architects located at http://www.phfa.org/mhp/technicalservices:

Tab 1: PHFA Policies and Procedures
Tab 2: Architectural Submissions
Tab 5: Requirements During Construction

Standards for new construction and substantial rehabilitation projects receiving HTF funds and an allocation of Tax Credits can be found in the following Tab of the PHFA Submission Guide for Architects located at http://www.phfa.org/mhp/technicalservices:

Tab 6: Submission Requirements for LIHTC Developments Not Receiving or Assuming a PHFA Loan

Preservation (Moderate rehabilitation of existing affordable housing):

Standards for preservation of existing affordable housing receiving HTF, HOME funds and an allocation of Tax Credits can be found in the following Tabs of the PHFA Submission Guide for Architects located at http://www.phfa.org/mhp/technicalservices:

Tab 1: PHFA Policies and Procedures
Tab 4: Submission Requirements for Preservation Developments
Tab 5: Requirements During Construction

Standards for the preservation of existing affordable housing receiving HTF funds and an allocation of Tax Credits can be found in the following Tab of the PHFA Submission Guide for Architects located at http://www.phfa.org/mhp/technicalservices:

Tab 6: Submission Requirements for LIHTC Developments Not Receiving or Assuming a PHFA Loan

The scope of work for all preservation developments is based on the recommendations of a Project Capital Needs Assessment (PCNA). The PCNA must be prepared by a firm with experience in preparing such reports for the affordable housing industry (HUD, Rural Development, other Housing Finance Agencies, etc.) and deemed acceptable by PHFA. In addition to evaluating all major building systems and components of the development, the PCNA must include an energy audit prepared by a Building Performance Institute (BPI) certified Multifamily Analyst which evaluates the merits of suggested energy savings upgrades. Measures that prove to save an amount, over their expected life, equal or greater than the cost of their installation, will be included in the scope of work. The PCNA must also include a 20 year Reserve For Replacement schedule to analyze the financial needs of the development. PHFA encourages applicants to include all, or most of, the work shown in the first five years of the RFR in the scope of work of the preservation development. The requirements of the PCNA can be found at:
http://www.phfa.org/forms/multifamily_application_guidelines/submission/tab_34/tab_34.pdf.

Lead Based Paint & Other Hazards:

All preservation and substantial rehabilitation applications are required to perform a Phase I Environmental Site Assessment as part of the application. The results of testing for lead based paint, asbestos, radon and lead in the water supply must be included in the application. Remediation is required to be included in the scope of work if positive results are found for any of these hazards.

Health and Safety:

The following hazards, if discovered during the inspection of the development, must be brought to the building owner's attention and repaired immediately:

- Gas leak or flue leak
- Exposed electrical wiring/missing outlet or switch cover plates
- Evidence of water leaks (storm or domestic)
- Blocked means of egress
- Inoperable fire alarm or smoke detector
- Inoperable egress windows
- Rodent/insect infestation
- Non-functional heating/water heating/electrical system

Accessibility:

All new construction and substantial rehabilitation projects that include a federal funding source are required to comply with Section 504 of the Rehabilitation Act of 1973. All PHFA developments are required to make 5% of the dwelling units accessible to individuals with mobility impairments, and provide devices for the hearing and vision impaired in an additional 2% of the dwelling units. Because PHFA awards ranking points in its LIHTC application for doubling these percentages, the majority of its developments have twice the required number of accessible units.

Additionally the PA UCC requires compliance with the ANSI A117.1-2009 accessibility standards. This is verified at the design stage during drawing review by both the Technical Services staff at PHFA and certified accessibility analysts as part of the building permitting process. Construction is also inspected by state certified building inspectors and PHFA Technical Services staff to confirm compliance.

Disaster Mitigation:

Fortunately Pennsylvania is not prone to earthquakes or wildfires, and therefore mitigation of these hazards has not been considered. The state is also not prone to a direct hit from a hurricane, but hurricane caused rain has caused extensive flooding on several occasions. Therefore flood mitigation is an important issue. Since 2015, PHFA's LIHTC application and Multifamily Program Guidelines state that tax credits will not be allocated to any development located within the 100 year flood plain. This should greatly diminish the chance of flood damage on any new projects.

However, if an exception is made to this policy, the project shall comply with the management requirements of the Flood Plain Disaster Protection Act of (42 U.S.C. 4106) 4106) and the Pennsylvania Flood Plain Management Act (32. P.S. 679.101 -679.601), which includes the following requirements:

- All flood-prone communities are required by the Pennsylvania Flood Plain Management Act to gain eligibility to participate in the National Flood Insurance Program (16 Pa. Code 38.3(a).

- A flood-prone community is also required by the Pennsylvania Flood Plain Management Act to adopt flood plain management regulations which, at a minimum, comply with requirements of the National Flood Insurance Program and the Pennsylvania Flood Plain Management Act (16 Pa. Code 38.4 (a)

- These flood plain management requirements compel flood-prone communities to adopt local ordinances requiring that all new construction and "substantial improvements" of residential structures within identified flood plains be flood-proofed or elevated above the base flood level, depending upon the level of flood plain mapping available to the community. (44 CFR 60.3)

- The term "substantial improvements" is defined as any repair, reconstruction, or improvement of a structure, the cost of which equals or exceeds 50% of the market value of the structure before the improvement or repair is started. (16 Pa. Code 38.1)

State and Local Codes:

As stated previously all work anticipated through the HTF program will be reviewed by state certified plans examiners, permitted, and inspected by state certified building inspectors. In addition, all work will be reviewed and inspected by PHFA staff. All work will be performed in accordance with the Pennsylvania Uniform Construction Code and PHFA requirements.

Appendix G

Substantial Amendment III

Citizen Participation

Commonwealth of Pennsylvania
Department of Community and Economic Development

Notice of Substantial Amendments to the
2017, 2018, 2019, and Proposed 2020 Annual Action Plans

Notice is hereby given that the Commonwealth of Pennsylvania will amend the methods of distribution (MOD) for the US Department of Housing and Urban Development (HUD)-approved 2017, 2018 and 2019 Annual Action Plans and proposed 2020 Annual Action Plans for the Emergency Solutions Grant (ESG) allowing for more flexibility in response to the novel Coronavirus (COVID-19). Details of the amendments are listed below. The changes to the MOD constitute major changes to the Annual Action Plans submitted or proposed to the HUD thus requiring a Substantial Amendment to each year's Action Plan, additional 30 day citizen comment period and a public hearing. This Notice starts the citizen comment period which runs from Sunday, April 5, 2020 through Monday, May 4, 2020. There is no change in the allocations of any of the HUD grant contracts.

The proposed amendments for the 2017, 2018, 2019 and proposed 2020 Annual Action Plan are as follows:

a. Remove the DCED minimum allocation percentage for the rapid rehousing activity (40%) from each ESG grant MOD;
b. Add, in each program year, no more than 60% of the annual federal allocation may be used for Emergency Shelter activities (including operations, essential services and street outreach)
c. Remove DCED maximum of 20% of allocation for emergency shelter activities (operations, essential services, and street outreach) and remove cap of operational support as a percentage of overall operating budget;
d. Allow Balance of State (non-federal entitlement) subgrantees to request modifications to their existing contracts for these years, based on specific and locally identified needs, to any allowable ESG activity. (Revisions may not exceed HUD threshold for emergency shelter activity at 60%); and;
e. Allow federal direct-entitlement ESG grantees to request modifications to their existing contracts or seek funding in these years for either rapid rehousing activities or homeless prevention activities. Rapid rehousing must still represent at least 40% of the overall use of ESG funds for direct entitlement communities only.

Public Hearing For the Substantial Amendments to the 2017, 2018, 2019, and proposed 2020 Annual Action Plans
Wednesday April 22, 2020
1:00 pm to 2:30 pm
Via Skype for Business or Conference Call ONLY

----------To join this public hearing ----------

Join Skype Meeting – Use Skype for Business - Conference ID: 344896648
Join by phone: Toll number: +1 (267) 332-8737
Pin: 344896648# (Dial-in Number)

The hearing will be shortened if there is no one to testify or there is minimal response.
Persons with a disability or Limited English Proficiency who wish to participate in the public hearing should contact Megan L. Snyder, DCED, at (717) 787-5327 or TDD at (717) 346-0308 to discuss how the Department of Community and Economic Development can accommodate his/her needs.

Public Comment

Comments on the Substantial Amendments to the 2017, 2018, 2019 and proposed 2020 Annual Action Plans may be electronically submitted to DCED via the following mailbox: RA-DCEDcdbghomequestions@pa.gov. Comments will also be accepted by telephone by calling (717) 787-5327. Written comments may be submitted to Megan L. Snyder, Center for Community and Housing Development, Department of Community and Economic Development, 400 North Street, 4th Floor Commonwealth Keystone Building, Harrisburg, PA 17120-0225. All comments must be received by 4:00 pm, May 5, 2020 to be included as testimony in the Plan that will be submitted to HUD, no later than May 8, 2020.

Dennis M. Davin
Secretary

Appendix G

Citizen Comments

Will be added once the Citizen Comment Period is complete.