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September 11, 2024

Dear Municipal or Civic Leader:

The Lycoming County Board of Commissioners is seeking projects that address affordable housing to include in its 2024 Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (PHARE) proposal to the Pennsylvania Housing Finance Authority (PHFA).

Since 2012, Lycoming County has been an eligible county to make applications to the Pennsylvania Housing Finance Authority (PHFA) for PHARE funds derived from the Act 13 Marcellus Shale Impact Fee collection. Act 13 of 2012 specifically allocates certain amounts from the impact fee into the PHARE Fund to address the need for affordable housing in the counties where producing nonconventional gas wells are located. Lycoming County has secured a total of \$13.9 million in PHARE funds to date to support households in need of affordable housing.

This year, Lycoming County is again soliciting projects on a competitive basis to include in its November 2024 application to the state for PHARE funds. Based on the Marcellus Shale Impale fees collected from Lycoming County in 2023, we anticipate requesting approximately \$1,095,000 of PHARE funds for projects selected through this competitive process.


To respond to a growing interest in our community to secure these dollars on behalf of projects and programs around the county, the Lycoming County Commissioners have developed an application process to receive formal requests from agencies interested in securing PHARE funds to meet the financial needs of their project or program. Interested parties are to submit the accompanying application materials **by October 18, 2024**.

The PHARE program has been very successful to date in Lycoming County and we wish to continue to provide resources and support for our communities to address the diverse affordable housing needs in this county.

Those intending to submit an application for consideration or who have further questions should please contact Jenny Picciano, Community Development/Lead Planner for the Lycoming County Department of Planning and Community Development at 570-320-2136 or at jpicciano@lyco.org.

Sincerely,

County of Lycoming


Scott L. Metzger, Chairman


Marc C. Sortman, Vice Chairman


Mark Mussina Secretary

Lycoming County 2024/2025 PHARE Grant Program



2024 Application Packet

**Applications Due:
October 18, 2024**

2024/2024 PHARE Grant Program

Application Information and Instructions

Application Point of Contact

Please contact Jenny Picciano, Community Development/Lead Planner, Lycoming County Department of Planning and Community Development at 570-320-2136 or jpicciano@lyco.org for application questions and additional information. Applications materials are also available at: www.lyco.org/grants.

Application Submissions

Submit completed application forms to:

Jenny Picciano, Community Development/Lead Planner
Lycoming County Department of Planning and Community Development
Mail: 48 West Third Street, Williamsport, PA 17701
In-person: 33 West 3rd St., 3rd Floor, Williamsport, PA 17701
Email: jpicciano@lyco.org

Program Overview and Background

Lycoming County is soliciting projects to include its 2024/2025 application to the Pennsylvania Housing Finance Authority (PHFA) for Pennsylvania Housing Affordability and Rehabilitation Enhancement funds (PHARE).

The PHARE program was established by **Act 105 of 2010** (the "PHARE Act") to provide the mechanism by which certain allocated state or federal funds, as well as funds from other outside sources, would be used to assist with the creation, rehabilitation and support of affordable housing throughout the Commonwealth.

Since 2012, the PHARE program has gained funds through Marcellus Shale Impact Fees imposed on natural gas companies by the Commonwealth. This Marcellus Shale (Act 13) Fund provides an annual allocation of \$5 million into the PHARE program with the potential for additional revenues when funds remain following eligible disbursements to qualifying municipalities. The Marcellus Shale Impact Fee provides the funding mechanism to address the housing needs in impacted counties/communities of the Marcellus Shale region. These funds are made available through a competitive application process to counties experiencing natural gas well drilling. Since 2012, Lycoming County has secured \$13.9 million in PHARE funds through this process.

The PHARE/Marcellus Shale Impact Fee Program, administered by PHFA, has several goals, including:

- 1) Increase the availability of affordable housing opportunities, including:
 - Rehabilitation/re-use of abandoned, at-risk housing
 - Owner-occupied rehabilitation and homebuyer/rental assistance
 - Homeless prevention/rapid re-housing for vulnerable populations.
- 2) Strengthen existing housing stock and address long-term affordability.
- 3) Strengthen approaches to address housing needs and impact within an overall community plan.

Based on the Impact fees collected from Lycoming County in 2023, the County anticipates requesting approximately **\$1,095,000** of PHARE funds selected through this competitive process.

Additional information about the PHARE program, including previously funded projects, full application criteria, and use of funds, is available on PHFA's website: <https://www.phfa.org/legislation/act105.aspx>.

Eligible Applicants

Lycoming County municipalities, non-profit and community organizations, for-profit housing providers and developers. Individuals are not eligible to apply.

Timeline

October 18, 2024	Applications due to Lycoming County
October 31, 2024	Applicants notified of Lycoming County's 2023/2024 selected projects (<i>expected</i>)
November 15, 2024	County submits application package with selected projects to PHFA
Summer 2025	PHARE funding announcements (<i>expected</i>)
Fall 2025	Earliest start date for PHARE-funded projects

PHARE Criteria

Responses to the following criteria will be used in Lycoming County's application to PHFA for 2024/2025 PHARE funds. Projects that address multiple PHARE criteria will be ranked more favorably during the project selection process:

- 1) Maximize resource leveraging**
- 2) Affordability**
- 3) Address greatest need**
- 4) Foster partnerships**
- 5) Effective and efficient implementation**
- 6) Equitable and transparent allocation of funds**
- 7) Emergency response to critical needs**

Eligible Uses

Examples of eligible uses under the PHARE program include: homeowner or rental rehabilitation, home buyer assistance, rental and utility assistance, housing accessibility, new construction, pre-construction costs, emergency home repairs, blight removal, transitional housing, and homeless prevention.

PHFA prioritizes the following housing initiatives*:

- Housing Preservation and Rehabilitation
- Rental Housing Creation
- Homeless Prevention
- Innovative Housing Solutions
- Homeownership
- Housing Counseling and Financial Education
- 4% Tax Credit Projects

*For additional details, see: https://www.phfa.org/forms/phare_program_phare_fund/2023_phare_rfp_final.pdf.

Funding Requirements

- A minimum of 30% of the grant funds must assist households below 50% of the median area family income (MAI) for Lycoming County (2024 MAI = \$86,600 50% MAI = \$43,250)
- No portion of the grant funds can be used to benefit households with incomes greater than 200% of the median family area income for Lycoming County (\$173,200).
- No more than 5% of the grant funds can be used for administrative purposes.
- All PHARE funds must be expended within 18 months of funding award.
- All PHARE- funded rental units must be reserved for occupancy by qualified households for a minimum of ten (10) years
- All project must be completed within 18 months of the County executing it's PHARE contract with PHFA.

Applicants are expected to satisfy the affordability requirements of the PHARE program and commit to a long-term sustainable program to maintain affordability. Applicants must abide by prevailing wage where applicable.

Evaluation Criteria

The County will review and evaluate all project and program applications received by **October 18, 2024** and evaluate applications based on the evaluation criteria.

1. Project must address one or more of the PHARE criteria listed above.
2. Project must adhere to the PHARE income requirements (see Funding Requirements above)
3. Applicant must be able to demonstrate the ability to manage and complete the proposed project in a timely manner.

Application Instructions

Please use the above information to prepare the accompanying PHARE program application.

Reporting

Semi-annual and final close-out report are required. All awarded PHARE grantees must track and report the following impacts/outcomes:

- Amount of PHARE funds expended.
- Number of households served/impacted.
- Amount and percentage of funds used to benefit households below 50% of median area income.
- Household income (tracked for each individual household assisted).
- Amount of Funding Used to Assist Households (tracked for each individual household assisted).
- Amount of administrative costs (capped at 5% of the total awarded funds).
- Source and amount of all matching/leveraged funds.
- Impact of funds used to address barriers to fair housing for marginalized communities.

2024/2025 Lycoming County PHARE Grant Program Application

Applicant Information

Applicant Name (Agency/Municipality):

Primary Contact Person:

Address:

Phone:

Email:

Project Overview

Project Title:

Project Location:

Project Type (check one):

☐ Preservation / Rehabilitation/Renewal

☐ Homeless Prevention

☐ Homeownership

☐ 4% Tax Credit Project

☐ Rental Housing Creation

☐ Innovative Housing Solutions

☐ Housing Counseling and Financial Education

☐ Health for Housing Investments

Total PHARE funds requested:

List the minimum and the maximum amount desired. Partial awards may be granted depending on funds availability and number of applications received.

Project Narrative *(attached additional pages if needed)*

1 - Project Description

Provide a brief description of the project.

2 - Project Need (5 points)

Describe the housing need your project addresses (short and/or long-term housing needs, etc.).

3 - PHARE Criteria (30 points)

Describe how the project meets one or more of the PHARE Criteria

3.1 - Maximize resource leveraging – To the greatest extent possible, the resources allocated will be used as leverage for other public and private resources. Local non-financial assets should be identified and leveraged where possible, including transportation, schools, recreation, employment, health, community and economic development support and other amenities.

3.2 - Affordability - PHFA encourages grantees to address the issue of long-term affordability based on the local housing market conditions. To the greatest extent possible, programs and projects should be designed in ways to both maintain the investment made in the housing stock and to continue affordability after initial assistance. This could include revolving loan programs, shared equity homeownership and other strategies for addressing this objective.

3.3 - Address greatest need – Funding will be allocated in communities where the greatest housing needs are identified based on housing needs studies and assessments, interviews, real estate price factors, housing stock analysis and market studies. The limited resources available should be used to meet the most significant and pressing housing needs but may also be used to address longer term housing needs. Preference: Projects/programs that: 1.) Assist with the rehabilitation of blighted, abandoned or otherwise at risk housing and the reuse of vacant land where housing was once located; 2.) Provide funding for owner-occupied rehabilitation, first time homebuyers, and rental assistance; or 3.) Address ongoing needs for homeless families and individuals including veterans.

3.4 - Foster partnerships – Funds should be used to maximize sustainable partnerships that will be committed to addressing the housing needs in these communities over a significant period of time. While the funds are to be used to directly support housing to meet community needs, the projects should also help establish capacity to address those needs over the long term. Preference: Projects/programs that incorporate social service entities which offer additional services to the residents within the community where the project/program is taking place. Are you working in collaboration with other entities? If so, identify who and describe the nature of the support (financial assistance, in-kind services or general support).

3.5 - Effective and efficient implementation – Ensure that the resources are used effectively and efficiently to meet the housing needs. Given the expectation that demand for many types of housing will greatly exceed the funds available, it will be critical to maximize the effectiveness and efficiency for housing investments by the PHARE Fund. Preference: Projects/programs that assist the residents with the greatest need in that particular region and can document highly effective strategies to address unmet need.

3.6 - Equitable and transparent allotment of funds– Create a plan and equitable allocation process that provides transparency to all stakeholders. Funding decisions and reporting will be done in accordance with legislative requirements.

3.7 - Emergency response to critical needs – Provide immediate and necessary funding to address an emergent crisis, emergency housing needs or other unanticipated issues that may arise over the course of the year. The PHARE funds could be rapidly deployed to address these significant, unmet and emergency housing needs in the Commonwealth.

4 - Organizational Capacity (5 points)

Please describe your previous experience on recent projects of similar type, scope and magnitude, including any prior PHARE awards. Explain how you have managed them and how you expect to effectively manage this proposed project, in particular.

5 - Include a timeline for project completion (5 points)

Include anticipated milestones for the utilization of the funds over the grant period.

Note: All projects must begin implementation within one year of the PHARE funding announcement (Fall 2025) and be completed within eighteen (18) months of the County's PHARE award from PHFA.

6 - Project Budget

6.1 - Project Budget* (5 points)

Please fill in the below line item budget, including cost estimate, sources and uses of funds, and what portion of the project will be funded with PHARE funds. Attach additional budget information or sheets if needed. Existing programs should also provide a copy of the prior year's budget (as approved by the governing body of the administering entity).

**Note: No more than 5% of the total PHARE budget may be used for administrative purposes. Associated project delivery costs related to the direct provision of services (i.e. project intakes, site inspections) are eligible costs and are not considered administrative costs.*

<i>Item Description</i>	<i>Lycoming County PHARE Request/Budget</i>	<i>Other Funds** (include sources)</i>	<i>Item Total</i>
Project Total:			

***This includes other requested county funds (i.e. Act 137, CDBG, etc.), and other funding sources. Please indicate if this funding is secured or pending. Evidence of committed funds or letters of commitment may be required if selected for funding.*

6.2 - Please provide a brief budget description (5 points)

Include the status of other pending funds. Please indicate if PHARE funds are match to other funding and if there is a timeline associated with those funds.

7 - Impact on Inequities and Disparities

Identify a persistent or historical housing disparity that currently exists within the community served and describe how the proposal will address this area of inequality. Select at least one historically marginalized community that will be directly impacted by PHARE funds:

- ☐ Members of the Black, Indigenous, and people of color (BIPOC) community, including racial/cultural minorities.
- ☐ Members of the LGBTQ+ community.
- ☐ People with Hearing, vision, or physical challenges.
- ☐ People with serious and persistent mental illness.

In 250 words or less, describe how your project/program will be used to address persistent, historical, and significant disparities and inequities that exist by race, class, income, culture, and education. Please identify the specific tactic or strategy that the proposed project will implement to ensure that there is movement underway to affirmatively reduce and eliminate these barriers.

8 - Project Fact Sheet

Please complete the following information where applicable.

1. Please identify the amount and percentage of PHARE funds that will be used to benefit households below fifty percent (50%) of the median area income. **Note:** No less than 30% of PHARE funds must assist persons/families below 50% MAI.

\$ _____
_____ %

2. Identify the targeted populations to be served by the project's proposed PHARE funding.
Example: 50% of the PHARE Funds will assist persons/households below 50% of the county MAI. The remaining 50% of the PHARE Funds will assist persons/households between 50% and 100% of the county MAI.

3. Project/Development total number of units being preserved/rehabbed with PHARE funds? _____ units
4. Total project/development square footage impacted by PHARE funding? _____ sq. ft.
5. Number of units to be rehabilitated using PHARE funding?

One Bedroom Units	# _____	Bathrooms	# _____
Two Bedroom Units	# _____	Bathrooms	# _____
Three Bedroom Units	# _____	Bathrooms	# _____
Four Bedroom Units	# _____	Bathrooms	# _____

Number of newly rehabilitated Accessible units? # _____

6. Projected Rent/For-Sale Price of PHARE impacted units?

	Projected Rent	Projected Sales Price
One Bedroom Units	\$ _____	\$ _____
Two Bedroom Units	\$ _____	\$ _____
Three Bedroom Units	\$ _____	\$ _____
Four Bedroom Units	\$ _____	\$ _____

7. Additional amenities/services impacted by PHARE funding:

9 - Attachment(s)

Please include any draft project plans or other supporting project summaries as needed. Include program guidelines if applicable.