



The City of
Worcester

CITY OF WORCESTER HOUSING DEVELOPMENT PROGRAMS

CITY OF WORCESTER HOUSING DEVELOPMENT DIVISION

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Owner-Occupied Rehab
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- **Other Programs**
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 - ▣ Emergency Solutions Grants (ESG)
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 - ▣ Sustaining Housing First Solutions

KEY TERMS

- ADA = Americans with Disabilities Act
- AHTF = Affordable Housing Trust Fund
- AMI = Area Median Income
- CDBG = Community Development Block Grant
- HUD = United States Department of Housing and Urban Development
- FMR = HUD Fair Market Rent
- WLAP = Worcester Lead Abatement Program

INCOME AND RENT DEFINITIONS

FY2025 Income Limit Summary

Worcester, MA HUD Metro FMR Area

Household Size

	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
30% Limits	\$26,200	\$29,950	\$33,700	\$37,400	\$40,400	\$43,400	\$48,650	\$54,150
50% Limits	\$43,650	\$49,900	\$56,150	\$62,350	\$67,350	\$72,350	\$77,350	\$82,350
80% Limits	\$69,850	\$79,800	\$89,800	\$99,750	\$107,750	\$115,750	\$123,700	\$131,700

FY2025 Fair Market Rent by Unit Bedrooms

Worcester, MA HUD Metro FMR Area

		<u>Efficiency</u>	<u>1 Bdrm</u>	<u>2 Bdrm</u>	<u>3 Bdrm</u>	<u>4 Bdrm</u>		
		\$1,429	\$1,438	\$1,854	\$2,265	\$2,493		

HOMEOWNER & HOMEBUYER PROGRAMS

- CDBG Elder Home Repair Program
- CDBG Worcester Housing Now (WHN) Owner-Occupied Rehab
- Worcester Lead Abatement Program (WLAP) Owner-Occupied Rehab
- Healthy Homes Program
- CDBG Down Payment Assistance



HOMEOWNER & HOMEBUYER PROGRAMS

CDBG ELDER HOME REPAIR PROGRAM

Program Overview

- Maximum grant amount of \$25,000/unit
- These funds must be used to rehabilitate major systems (ex. Mechanical, heating, roof, siding, windows) of the home and ensure code compliance
- City will bid project out on behalf of owner to ensure cost reasonableness
- City makes direct payment to General Contractor

Eligibility Criteria

- Must be at least **62** years of age and own a 1-4 unit owner-occupied property in the City of Worcester
- Owner must meet Household Income Limits (80% AMI)
- If property is over 2 units, at least 51% of the building must also meet Household Income Limits
- Owner agrees to have a **Five (5) Year Owner-Occupied Restriction**

HOMEOWNER & HOMEBUYER PROGRAMS

CDBG WORCESTER HOUSING NOW (WHN) OWNER-OCCUPIED REHAB PROGRAM

Program Overview

- Maximum grant amount of \$25,000/unit
- These funds must be used to rehabilitate major systems (ex. Mechanical, heating, roof, siding, windows) of the home and ensure code compliance
- City will bid project out on behalf of owner to ensure cost reasonableness
- City makes direct payment to General Contractor

Eligibility Criteria

- Must own a 2-4 unit owner-occupied property in the City of Worcester
- At least 51% of building must meet income eligibility (80% AMI), and HUD FMR
- Owner agrees to have a **Five (5) Year Owner-Occupied Restriction**
- **Must remain owner-occupied during Five (5) Year Affordability Period**

HOMEOWNER & HOMEBUYER PROGRAMS

WORCESTER LEAD ABATEMENT PROGRAM (WLAP) – OWNER-OCCUPIED

Program Overview

- Maximum grant amount of \$30,000/unit
- City will bid project out on behalf of owner to ensure cost reasonableness
- City makes direct payment to General Contractor

Eligibility Criteria

- Property built before 1978
- Must have a child under six (6) living in the property
- Owner's income must be below 80% HUD AMI
- Any rental units must be below 50% HUD AMI
- Applicant agrees to a **Five (5) Year Deed Restriction**

HOMEOWNER & HOMEBUYER PROGRAMS

HEALTHY HOMES PROGRAM

Program Overview

- Maximum grant amount of \$10,000/unit
- These funds must be used to address health hazards (ex. mold remediation, radon remediation, asbestos abatement, installation of carbon monoxide and smoke detectors) in the home
- City will bid project out on behalf of owner to ensure cost reasonableness
- City makes direct payment to General Contractor

Eligibility Criteria

- Owner's income must be below 80% HUD AMI
- Any rental units must be below 80% HUD AMI
- Applicant agrees to a **Five (5) Year Deed Restriction**

HOMEOWNER & HOMEBUYER PROGRAMS

CDBG DOWN PAYMENT ASSISTANCE

Program Overview

- Up to \$5,000 of down payment and/or closing cost assistance to income-eligible applicants

Eligibility Criteria

- Property must be in the City of Worcester
- Applicant must be a First Time Homebuyer
- Applicant must meet income eligibility (80% AMI)
- Must meet HUD habitability standards
- Must apply at least 45 days prior to closing
- Must take approved First Time Homebuyer course prior to closing
- Applicant agrees to **Three (3) Year Residency Restriction**

DEVELOPER & INVESTOR PROGRAMS

- Affordable Housing Trust Fund
- HOME Investment Partnership Program (HOME)



DEVELOPER & INVESTOR PROGRAMS

AFFORDABLE HOUSING TRUST FUND

Program Overview

- AHTF established to promote and finance the development of affordable rental and first-time homeownership housing
- Grant will provide up to \$150,000 per affordable housing unit developed, or up to 25% of total development cost, whichever is less
- Up to \$25,000 of bonus funding per eligible unit for units restricted to 30% or less of AMI and/or ADA units over the minimum required 10%% threshold
- Request for Developmental Proposal (RFP) is open on a rolling basis until all funding available has been committed
- Funding is on a reimbursement basis

Eligibility Criteria

- A property developed through new construction or substantial rehabilitation for the purpose of creating new affordable rental or homeownership housing units
- Projects must be started by December 31, 2024, and completed with occupancy by September 30, 2026
- Proposals will be evaluated by City staff and the AHTF Board of Trustees with respect to project feasibility, applicant capacity, and alignment with requirements outlined in the RFP
- Subsidized units are subject to a **30-Year Affordability Restriction**

DEVELOPER & INVESTOR PROGRAMS

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Program Overview

- HOME funds a wide range of activities including building, buying, and rehabilitating affordable housing for rent and providing direct rental assistance to low-income households through the Tenant Based Rental Assistance Program (TBRA)
- The City Manager's Task Force for Sustaining Housing First Solutions has prioritized funding for public entities, nonprofit organizations, and private landlords to work together to produce 103 housing units with rental assistance and to continue to preserve and develop adequate units for those who become chronically homeless in future years

Eligibility Criteria

- Rental developments shall provide units to households earning up to 60% of AMI
- Mixed income projects are eligible; however not all units are in a mixed income project will be eligible
- **All projects must have minimum term of affordability mandated by HUD of at least 5-15 years for rehabilitation projects and 20 years for new construction projects, secured by an affordable housing restriction and mortgage**

CONTACT US

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THANK YOU