



## INTRODUCTION AND BACKGROUND

The City of Worcester received approximately \$146 million from the federal government, through the U.S Treasury, as a result of the American Rescue Plan Act (ARPA). This direct allocation is part of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program. The goal of the SLFRF program is to ensure that state, local and Tribal governments have the resources needed to fight the pandemic, strengthen and sustain economic recovery, maintain vital public services, and make investments that support long-term growth, opportunity, and equity. The funding is intended to address local needs within these four eligible categories:

- Replacing Lost Public Sector Revenue
- Addressing Public Health and Economic Impacts
- Providing Premium Pay to Essential Workers
- Improving Water, Sewer and Broadband Infrastructure

This application is for housing activities and programs which meet the eligible ARPA category of **“Addressing Public Health and Economic Impacts.”**

## AFFORDABLE HOUSING PRESERVATION PROGRAM

To address the public health and economic impacts of the COVID-19 pandemic on housing, the City has set aside \$1 million in funds to launch an ARPA Affordable Housing Preservation Program (“AHP Program”). The City is aware that many residents and families in Worcester have struggled to keep up with rent and other financial obligations due to the lingering impact of the COVID-19 pandemic and rising rents throughout the city and Commonwealth. Given this, the City recognizes that additional efforts are needed to preserve the “informal” or “naturally occurring” affordable housing stock in the city. These units have affordable rents but are not deed restricted, so they are not part of the official affordable housing stock measured by the Subsidized Housing Inventory (SHI). The AHP Program will provide grants to owners who control these “naturally occurring” affordable units to preserve the affordable rent levels into the future.

### **Maximum Grant Amount:**

The AHP program has two tiers:

1. \$15,000.00 per affordable dwelling unit in exchange for a 10-year deed restriction for households earning 60% or less of the Area Median Income (AMI).
2. \$25,000.00 per affordable dwelling unit in exchange for a 15-year deed restriction for households earning 60% or less of the Area Median Income (AMI).

Up to six (6) affordable dwelling units per eligible owner. Properties held in trusts or LLCs are limited to six (6) affordable dwelling units where common ownership is greater than 50% in separate entities.

### **Program Eligibility:**

- Property must be in a Qualified Census Tract (see guidance below).
- Applicant must utilize 12-month lease(s) for unit(s) subject to this application. Tenant-at-will agreements are not eligible for the AHP Program.
- Property taxes, utilities, and mortgage payments (if applicable) must be in good standing.



- Property must have insurance coverage for the full or fair value of a property, and flood insurance if applicable.
- Owner/Applicant must have a Federal Unique Entity ID (UEI) number. See Exhibit A for information about establishing a Federal UEI through [SAM.gov](https://sam.gov).
- Each unit funded through the AHP program is subject to a 15-year minimum affordability restriction that sets a maximum allowable rent (varying by unit size and income level served) and establishes maximum income eligibility limits (varying by household size and income level served). The deed restriction cannot be paid off by a new owner/buyer.
- Fee: Owner is responsible for the \$105.00 Affordable Housing Restriction recording fee.

**Disqualification:**

The City of Worcester may disqualify an application based on substantive evidence connecting the Owner/Applicant to any of the following:

- Owner/Applicant makes a misrepresentation or provides materially false information in an application.
- Owner/Applicant has substantiated fair housing violations and/or complaints filed with the Massachusetts Commission Against Discrimination or U.S. Department of Housing and Urban Development.
- Owner/Applicant is debarred, suspended, or otherwise excluded from any federal contract.
- Owner/Applicant has mortgage arrears, tax delinquencies, and/or has allowed the rental housing property to enter foreclosure.
- Unit(s) are deemed not habitable by the City of Worcester Inspectional Services Department.
- Owner has been notified that property insurance has been or will be terminated due to property conditions.
- Properties with more than five (5) code violations in the last three (3) years.

**Program Requirements:**

- Pre-application Meeting – All applicants are encouraged to meet with City of Worcester Housing Development Division staff before submitting an application.
- Completed Application – Applicants must complete all application components before submission, including all required documentation listed in this application.
- Certificate of Inspection – Applicants must obtain a Certificate of Inspection through the City of Worcester Inspectional Services Department.
- Grant Agreement – A grant agreement must be signed by the property owner(s).
- Program Compliance - During the affordability period, building owners will be required to:
  - Affirmatively market deed-restricted units, which at a minimum includes advertising available units through the Worcester Housing Authority, RCAP, AffordableHousing.com, and Housing Navigator Massachusetts ([housingnavigatorma.org](https://housingnavigatorma.org)). Evidence (PDF, links, etc.) must be submitted to the City of Worcester when the unit(s) are being marketed.
  - Submit tenant lease(s) for deed-restricted unit(s) on an annual basis showing compliance with current affordable rent limits.
  - Submit tenant income certification upon initial move-in each time a new household leases a deed-restricted unit.

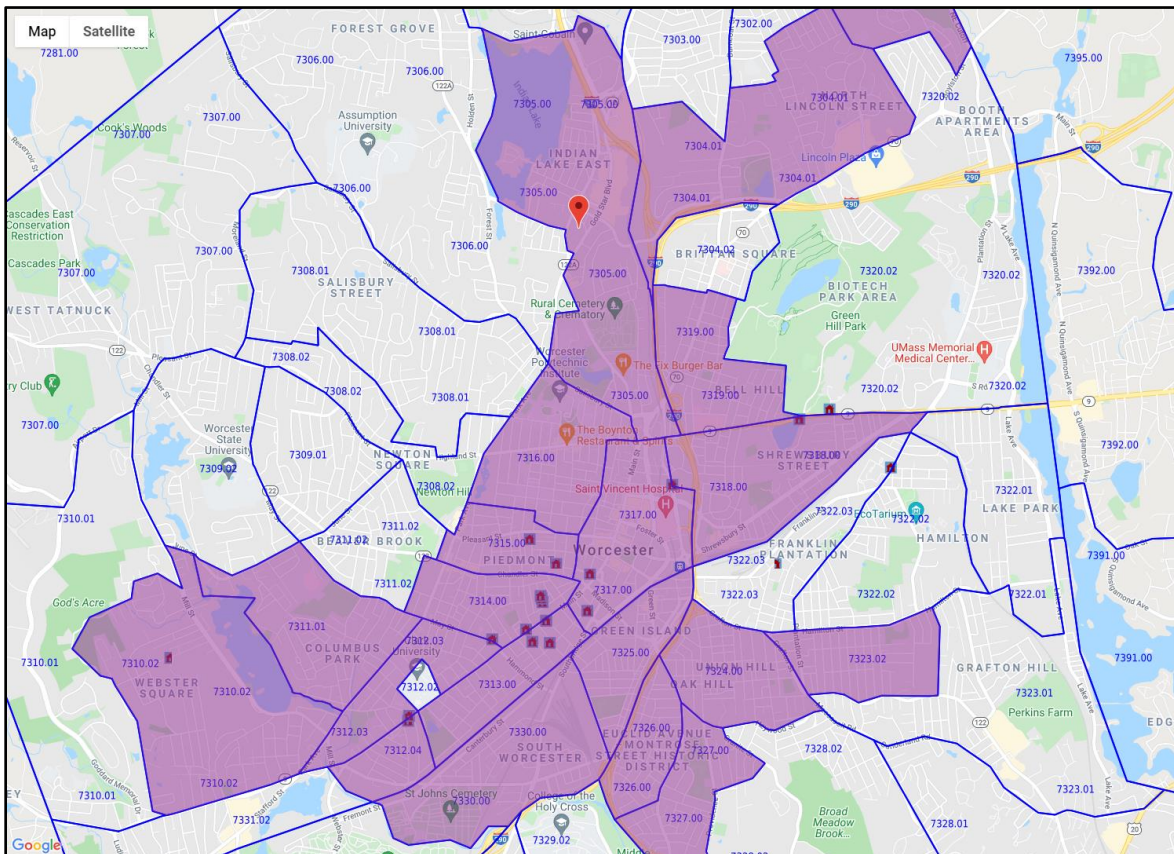


**QUALIFYING ELIGIBLE BENEFICIARIES AND POPULATIONS**

**QUALIFYING CENSUS TRACTS (QCTs):**

A Qualified Census Tract is defined as any census tract in which at least 50 percent of households have an income less than 60 percent of the Area Median Income (AMI), or which has a poverty rate of at least 25 percent.

The below map is a depiction of the QCTs in the City of Worcester and populations residing in these census tracts are presumed eligible beneficiaries of ARPA funded Owner-Occupied Housing Rehabilitation:



**An interactive map can be accessed here:**

**[https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html)**

- To determine your census tract, once the map is opened:
  - In the search bar at the top of the page, enter “Worcester, MA”.
  - Below “Map Options” on the left side of the screen, select:
    - Color QCT Qualified Tracts (Zoom 7+)
    - Show Tracts Outline (Zoom 11+)
  - Zoom in to determine your appropriate Census Tract number (ex. 7325.00, 7317.00, etc.)



## AFFORDABLE RENTS

The maximum rent for an affordable housing unit cannot exceed 30% of the gross income for a household earning 60% of the current Area Median Income (AMI).

FY2023 Income Limit Summary								
Worcester, MA HUD Metro FMR Area								
Household Size								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
60% Limits	\$49,140	\$56,160	\$63,180	\$70,200	\$75,840	\$81,480	\$87,060	\$92,700

The maximum rent may also not exceed the Fair Market Rent (FMR) published annually by HUD.

FY2024 Fair Market Rent by Unit Bedrooms*				
Worcester, MA HUD Metro FMR Area				
Efficiency	1BR	2BR	3BR	4BR
\$1,282	\$1,292	\$1,661	\$2,008	\$2,212

\*Fair Market Rents assume the property owner pays for utilities. If utilities are not included in the rent but are the responsibility of the tenant, a utility allowance for reasonable utility consumption must be subtracted from the rent using the [Utility Allowance Schedule](#) published annually by HUD.

## ADDITIONAL ARPA PROGRAM INFORMATION AND GUIDANCE

For additional information regarding definitions, eligibility considerations, and more, applicants are encouraged to consult the U.S. Treasury’s Final Rule or Overview, which are available at the City of Worcester’s website at the below link under “Resources”: <http://www.worcesterma.gov/arpa>.

## KEY DISCLOSURES AND NOTICES

- Full Application documents must be submitted to be considered for eligibility.
- The application documents contained herein do not commit City of Worcester make an award, execute a contract, or pay for costs incurred in the preparation of said application, or to procure or contract for a program or service in connection therewith. The City of Worcester reserves the right to accept or reject any or all applications received, or cancel in part or in its entirety this application.



- Contracted awards are subject to receipt and availability by the City of Worcester of sufficient and unencumbered SLFRF funds from the U.S. Department of Treasury. If the City of Worcester's overall allocation from the Treasury Department is reduced, or prior committed to eligible, prioritized local uses as determined by the City's administration, the City may reduce or amend any sub-recipient awards made as needed.
- The City may seek to obtain further information from any and all respondents and potentially waive any defects to form or content of application or any responses by the applicant.
- The City of Worcester, and thus any sub-recipients awarded ARPA funding through an executed contract as a result of a program, project or service stemming from this application process, are generally subject to the requirements of the Code of Federal Regulations, Chapter 2 Part 200 (2 CFR Part 200), except when certain exemptions are enumerated in the U.S. Treasury's Final Rule.
  - Pursuant to 2 CFR 200.205, all RFP applicants may be subject to **pre-award risk assessment** as part of the City of Worcester's overall decision making process related to making sub-awards stemming from this application process. The risk assessment may involve, at a minimum, evaluating risks posed by applicants related to the following parameters: financial stability, quality of management systems, ability to meet the management standards, and history of past grant performance, to include the applicant's record in managing prior Federal awards.
  - Pursuant to 2 CFR 180, prior to making any awards and contracts for ARPA funded programs or services, the City of Worcester will conduct **suspension and debarment check** to ensure any sub-awards and contracts are not executed parties that have been debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities.
- Applicants must abide by the City of Worcester's Conflict of Interest policy.
- False statement or misrepresentations in application documents, or subsequent award contract documents, may automatically disqualify applicants and/or result in immediate repayment of federal funds to the City of Worcester.
- Upon submittal to the City of Worcester, all application documents become Public Record and property of the City of Worcester.



**AMERICAN RESCUE PLAN ACT (ARPA) GENERAL APPLICATION INFORMATION – PAGE 1**

**APPLICATION DOCUMENTATION CHECKLIST**

<b>Description</b>	
<input type="checkbox"/>	Completed program application
<input type="checkbox"/>	Property deed
<input type="checkbox"/>	Current lease(s) for the property/unit(s) subject to this application
<input type="checkbox"/>	Copy of current property insurance
<input type="checkbox"/>	Copy of current mortgage, if applicable
<input type="checkbox"/>	Copy of current flood insurance, if applicable
<input type="checkbox"/>	\$105 check to the Commonwealth of Massachusetts for the deed restriction recording fee

**APPLICANT INFORMATION**

<b>Applicant Legal Name:</b>	
<b>Applicant Primary Address:</b>	
<b>Co-Applicant Name:</b>	
<b>Applicant Email Address:</b>	
<b>Applicant Phone Number:</b>	
<b>Applicant UEI:</b>	
<b>Other Properties Owned in Worcester, MA:</b>	



**PROPERTY INFORMATION**

Qualifying Census Tract - Census Tract #: \_\_\_\_\_

Address: \_\_\_\_\_ Worcester, MA Zip Code \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Deed: Recorded at the Worcester District Registry of Deeds in Book \_\_\_\_\_, Page \_\_\_\_\_ **Please Provide Copy**

**UNIT INFORMATION**

Unit Number	Unit Type (# of Bedrooms)	Occupied (Yes or No)	Total Monthly Rent	Monthly Subsidy/Voucher Amount (If Applicable)	Copy of Lease Attached (Yes or No)
<i>E.g., A</i>	<i>1 Bedroom</i>	<i>Yes</i>	<i>\$1,000</i>	<i>\$500</i>	<i>Yes</i>

Please indicate which AHP tier you are seeking for the proposed unit(s):

\$15,000.00 per affordable dwelling unit in exchange for a **10-year deed restriction** for households earning 60% or less of the Area Median Income (AMI).

\$25,000.00 per affordable dwelling unit in exchange for a **15-year deed restriction** for households earning 60% or less of the Area Median Income (AMI).

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**CERTIFICATIONS**

	Please Initial
<b>I/we certify that there are no defaulted or delinquent loans that affect the property.</b>	
<b>I/we certify that there are no liens on the property, other than mortgages that are in good standing.</b>	
<b>I/we certify that there is no pending litigation against me/Owner or the property.</b>	
<b>I/we certify that there is no tax liability owed on the property.</b>	
<b>I/we certify that the above statements are true.</b>	

If any of the certifications above are not true, please explain:

I certify that, under penalty of perjury, all information on this application to the best of my/our knowledge is true. I/We understand that false information given is sufficient grounds for rejection of this application. Furthermore, verification may be obtained from any source herein.

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**Penalty for False or Fraudulent Statement, U.S.C.**

“Title 18, Section 1001, provides: “Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies...or makes any false fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statements or entry, shall be fined not more than \$10,000 or imprisoned not more than five (5 years) or both.”

**Through my/our signature, I/we hereby certify the information provided in this application is complete and correct to the best of my/our knowledge. I am aware of the eligibility requirements of the City of Worcester’s Affordable Housing Preservation Program as outlined in this application. Additionally, I/we hereby certify that I/we understand that if the city of Worcester finds my information to be fraudulently represented, I/we will be liable for repayment of all Program funds, as well as other penalties, allocated under Federal Regulation 24 CFR Part 28.**

\_\_\_\_\_

Street Address (Include Unit #)

\_\_\_\_\_

City, State

\_\_\_\_\_

ZIP

\_\_\_\_\_

Authorized Signatory – Print Name  
Title:

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

\_\_\_\_\_

Authorized Signatory – Print Name  
Title:

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

**Exhibits**

Exhibit A: SAM.gov Federal Unique Entity ID (UEI) Guidance



The City of  
**WORCESTER**

Executive Office of Economic Development  
Housing Development Division  
American Rescue Plan Act (ARPA) Application  
**Affordable Housing Preservation Program**

**Exhibit A:**  
**SAM.gov Federal Unique Entity ID (UEI) Guidance**

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[development@worcesterma.gov](mailto:development@worcesterma.gov)