



## Town of Southampton Community Housing Fund (CHF)

### APPLICATION INSTRUCTIONS

Thank you for your interest in the Town of Southampton Community Housing Fund. To apply for funding, a completed application form must be submitted along with any detailed narratives and supporting information as described on the application. Please ensure that the program or project you are applying for meets the eligible income and purchase price thresholds.

### Eligible Programs/Projects:

1. **FINANCIAL ASSISTANCE FOR FIRST TIME HOME BUYERS:** Financial assistance may be provided for the purchase of a home to a first-time homebuyer who is a resident of the Town or who is employed in the Town. A resident of the Town shall include a person who is currently a resident of the Town or a nonresident who has been a resident within the past five years. A first time homebuyer is someone who has not owned a primary residential property and is not married to a person who has owned a residential property during the three year period prior to his or her purchase of the property and who does not own a vacation or investment home. Such financial assistance shall be repayable to the Town upon the resale of the home. Buyers must occupy the home as their primary residence. The purchase price cannot exceed one hundred fifty percent of the purchase price limits established by the State of New York Mortgage Agency (SONYMA) low interest rate loan program in non-target categories for Suffolk County that is in effect on the contract date for the sale of such property.
  - a. **Down Payment Assistance:** Financial assistance may be available up to 3% of the purchase price. The purchaser's income cannot exceed 100% of the income limits as established by SONYMA low interest rate loan program in non-target categories for Suffolk County in effect on the contract date. The buyer must make a minimum cash contribution of 2% of the purchase price. The amount of the down payment assistance cannot exceed the actual down payment and/or closing costs. The financial assistance may only be used in conjunction with a mortgage issued by a FNMA/FMAC mortgage financial institution.
  - b. **Shared Equity Program:** Financial assistance may be available up to 50% of the purchase price. The maximum household income cannot exceed 80% of the uncapped area median income for Nassau/Suffolk County as established by HUD. The Town will share in the appreciation of the property when the home is sold or refinanced.
  - c. **Remodel Program:** Financial assistance may be available for the costs of rehabilitation/improvement expenses at the time of the purchase of a home. Low-interest rate, 30 year loan. Eligible improvements include structural alterations and reconstruction, eliminating health or safety concerns, plumbing or electrical upgrades, roofing, installation of kitchen and baths (not remodeling).
  
2. **FINANCIAL ASSISTANCE TO PRODUCE COMMUNITY HOUSING FOR SALE:** Financial assistance may be available to developers based on the scope and need for each project. Per home subsidies will increase with greater affordability but must aimed at purchasers at or below 130% AMI. The developer must have a strong record of developing single or multi-family homeownership. Developer must be able to provide a construction loan commitment from a financial institution acceptable to CHF prior to funding. Developer must agree to the placement of a permanent affordable easement on the property providing restrictions on the sales price and income limitations of the buyers. Projects must include at least four (4) homeownership units. Eligible building types include: condominium, cooperative, fee simple and other models as approved by CHF, standalone homes in existing neighborhoods, attached or detached style developments, multi-family structures, including new construction, adaptive reuse or conversions.
  
3. **FINANCIAL ASSISTANCE TO PRODUCE COMMUNITY RENTAL HOUSING:** Financial assistance may be available to homeowners who want to create an affordable accessory apartment on their existing property and to developers who want to convert motels or commercial property into rental housing.
  - a. **Accessory Apartment Program:** Financial assistance of up to \$125,000 may be available for the construction of an accessory dwelling unit. 0% interest rate loan for 20 years. The homeowner and tenant must occupy one of the units on the property as their primary residence. Household income of tenant must be at or below 130% area median income of Nassau/Suffolk County as established by HUD. At least one tenant must work at least 30 hours a week at a business located within the Town of Southampton. The rent charged must comply with the Town's affordable rent guidelines.

- b. **Motel Conversion Program:** Financial assistance may be available to create permanent affordable rental housing for the seasonal and year-round workforce. Low-interest rate 30 year mortgage financing. Subsidized units must be permanently affordable and deed restriction requires the tenant to work at least 30 hours a week at a business located within the Town of Southampton. The rent charged must comply with the Town's affordable rent guidelines.
  - c. **Commercial Property Conversion Program:** Financial assistance may be available for the adaptive re-use of commercial property to create affordable housing. All units in the project must be for households with incomes at or below 130% of the area median income for Nassau/Suffolk County as established by HUD. The limit on rent charged must comply with the Town affordable rent guidelines. The tenant must occupy the unit as their primary residence.
4. **FINANCIAL ASSISTANCE FOR VOLUNTEER ESSENTIAL WORKERS:** Mortgage payment assistance may be available to volunteers who work in critical roles and professions within the Town of Southampton. Program provides direct financial assistance that is paid to a volunteer's current mortgage lender while maintaining "good standing" and continuously and actively volunteering. Maximum household income is 80% of the area median income for Nassau/Suffolk County as established by HUD. Borrowers need to occupy the home as their primary residence.
5. **FINANCIAL ASSISTANCE TO PROVIDE HOMES FOR THE TOWN'S WORKFORCE, DISABLED OR SENIORS:** Financial assistance may be in the form of a one-time payment that can vary depending on the market and needs of the community or an annual payment in an amount equal to the difference between the monthly affordable rent and the monthly market rent payment for the period of time the units are restricted. Recipients are required to execute an occupancy only deed restriction.
- a. **Workforce Housing:** At least one family member occupant must work at least 30 hours a week at a business located within the Town of Southampton.
  - b. **Disabled:** Occupants must have a physical or developmental impairment that substantially limits one or more major life activities as defined under the ADA.
  - c. **Seniors:** Occupants must be 55+ years of age

#### CRITERIA FOR PROGRAMS/PROJECTS

The Community Housing Fund Advisory Board will analyze each application in connection with the goals set forth in the Town's Community Housing Plan (See, [www.southamptontownny.gov/CHFPP](http://www.southamptontownny.gov/CHFPP)) to determine whether it will:

1. **Increase the amount of affordable housing** in the Town, not only for low-moderate income households but also for working, middle income households that are priced out of the market.
2. **Provide affordable housing in all parts of the Town**, though focusing on hamlet centers where a mix of uses and densities are to be encouraged.
3. Create affordable housing that is **in keeping with the historic, architectural and natural qualities of the Town of Southampton** and does not stigmatize housing tenants.

The Advisory Board may give priority to projects that will use CHF Funds in the following ways:

1. To provide financial assistance to alleviate housing cost burden
2. To provide housing options for seniors, the disabled and employees
3. To promote creative infill that encourages middle market housing and bike and pedestrian activity
4. To plan housing locations near public transportation
5. To provide housing stock with more affordable options such as home ownership, rental housing, smaller units and multifamily buildings.

The award of any of the projects or programs is subject to the availability of CHF funding and to the recommendation of the Community Housing Fund Advisory Board and the further approval of the Town Board of the Town of Southampton.

The Community Housing Fund Advisory Board meets monthly. Applicants will be notified upon review.

#### APPLICATION FORM

Applicants applying for financial assistance for the following programs: first time homebuyers, the creation of an accessory apartment, mortgage payment assistance for volunteer essential workers or for the creation of housing for the Town's workforce, disabled or seniors, please complete the **BLUE** application.

Developers wishing to apply for financial assistance to create new community housing or convert motel or commercial property into community housing, please complete the **RED** application.