



The City of  
Worcester

2024

**LANDLORD**  
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# CITY OF WORCESTER HOUSING DEVELOPMENT PROGRAMS

CITY OF WORCESTER HOUSING DEVELOPMENT DIVISION

Mayor Joseph M. Petty  
City Manager Eric D. Batista  
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# OUTLINE



- Key Terms
- Income and Rent Definitions
- ARPA Qualifying Eligible Beneficiaries and Population Categories
- QCT Map
- Homeowner & Homebuyer Programs
  - CDBG Elder HOME Repair Program
  - CDBG Worcester Housing Now Owner-Occupied Rehab
  - ARPA Owner Occupied Rehab
  - ARPA Lead Abatement
  - Worcester Lead Abatement Program Owner Occupied (WLAP)
- Developer & Investor Programs
  - CDBG Worcester Housing Now Investor-Owned Rehab
  - ARPA Affordable Housing Preservation Program
  - HOME Investment Partnerships Program (HOME)

# KEY TERMS



- ADA = Americans with Disabilities Act
- AHTF = Affordable Housing Trust Fund
- AMI = Area Median Income
- ARPA = American Rescue Plan Act (**Please note – funds must be committed by December 2024**)
- CDBG = Community Development Block Grant
- HUD = United States Department of Housing and Urban Development
- FMR = HUD Fair Market Rent
- QCT = Qualified Census Tract
- WLAP = Worcester Lead Abatement Program

# INCOME AND RENT DEFINITIONS



## 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
<b>30% Limits</b>	\$24,600	\$28,100	\$31,600	\$35,100	\$37,950	\$40,750	\$45,420	\$50,560
<b>50% Limits</b>	\$40,950	\$46,800	\$52,650	\$58,500	\$63,200	\$67,900	\$72,550	\$77,250
<b>60% Limits</b>	\$49,140	\$56,160	\$63,180	\$70,200	\$75,840	\$81,480	\$87,060	\$92,700
<b>80% Limits</b>	\$65,550	\$74,900	\$84,250	\$93,600	\$101,100	\$108,600	\$116,100	\$123,600

### 30% of Monthly Maximum Gross Income

#### Household Size

	1 Person	2 Person	3 Person	4 Person	5 Person			
<b>60% Limits</b>	\$1,229	\$1,404	\$1,580	\$1,755	\$1,896			
<b>80% Limits</b>	\$1,639	\$1,873	\$2,106	\$2,340	\$2,528			

### 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			

# ARPA QUALIFYING ELIGIBLE BENEFICIARIES AND POPULATIONS CATEGORIES



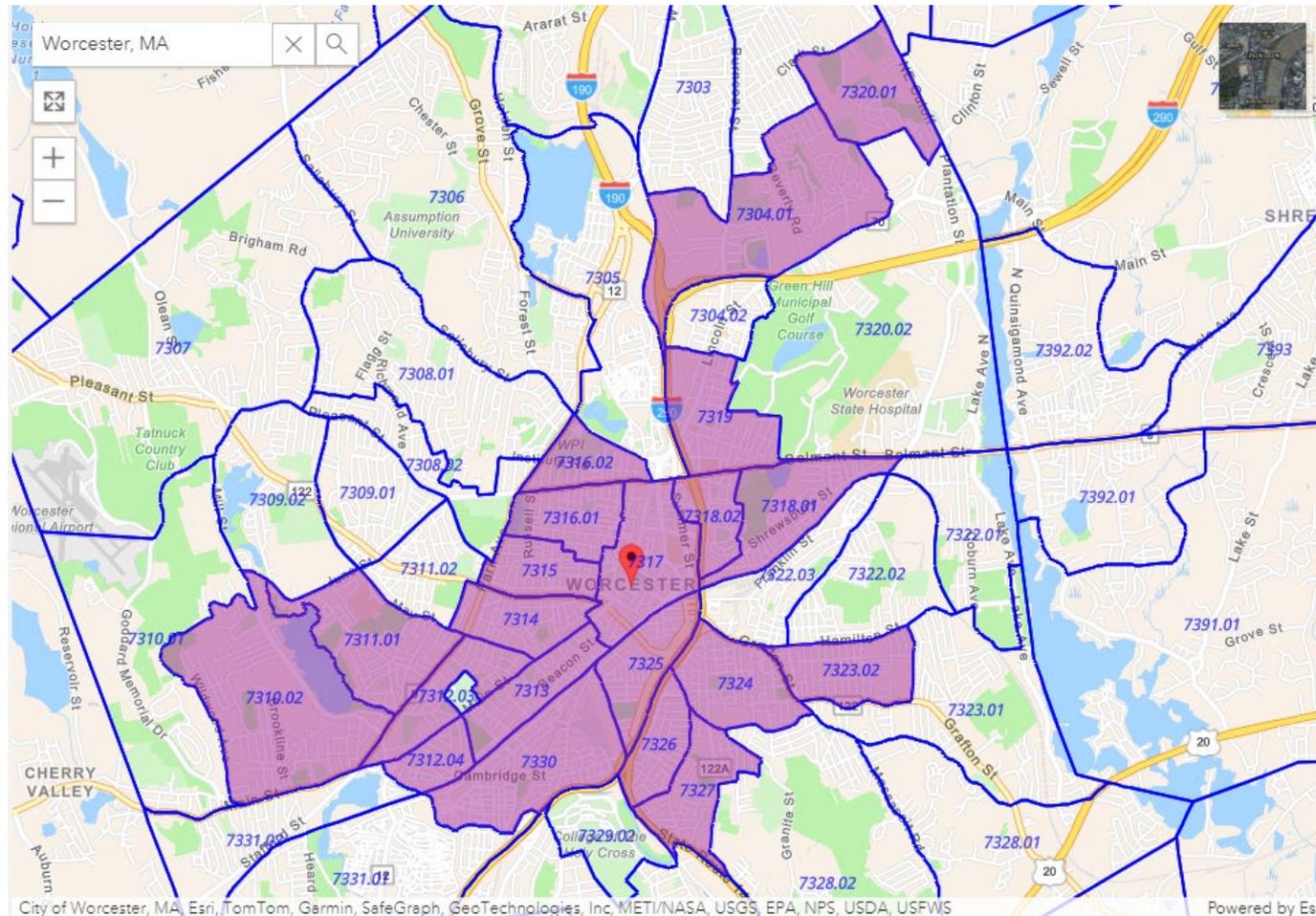
1. Qualifying Census Tracts (See QCT Map on Next Slide)
2. Disproportionately Impacted Classes
  - Member of Hispanic and Latino Population
  - Member of Black and African-American Population
  - Member of American Indian and Native American Population
3. Assistance Beneficiary
4. Low-Income Qualification

ARPA 2024 INCOME LIMITS								
2024 Income Limit Category	Persons In Household							
	1	2	3	4	5	6	7	8
Annual Income - Moderate	\$53,235	\$61,320	\$77,460	\$93,600	\$109,740	\$125,880	\$142,020	\$158,160

# QCT MAP



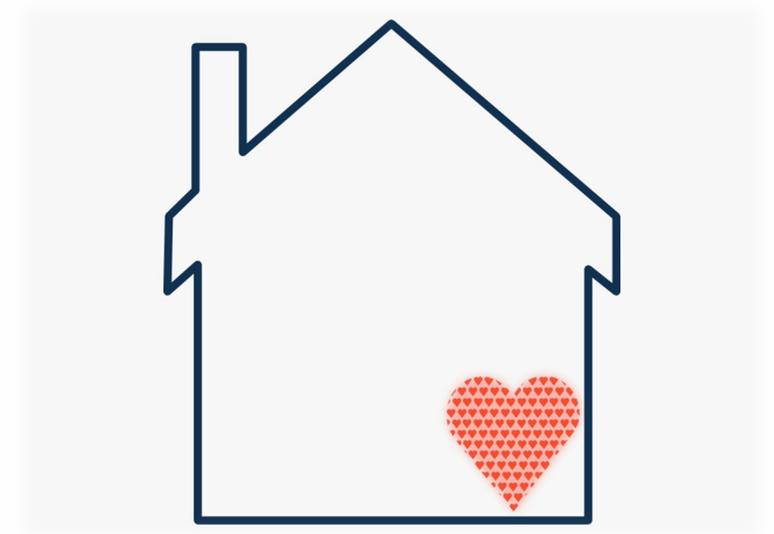
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# HOMEOWNER/HOMEBUYER PROGRAMS



- CDBG Elder Home Repair Program
- CDBG Worcester Housing Now – Owner Occupied Rehab
- ARPA
  - Owner Occupied Rehab (To Address Code Violations)
  - Lead Abatement
- Worcester Lead Abatement Program



# 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**

# CDBG WORCESTER HOUSING NOW OWNER-OCCUPIED REHAB



## 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 Requirements

- 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 a Five (5) Year Affordability Period
- **Must remain owner occupied during Five (5) Year Affordability Period**

# ARPA OWNER OCCUPIED REHAB



## Program Overview

- Maximum grant amount of \$30,000/unit
- These funds must be used to address code violation(s)
- City will bid project out on behalf of owner to ensure cost reasonableness
- City makes direct payment to General Contractor

## Eligibility Requirements

- Must own a 1-4 Unit owner-occupied property in the City of Worcester
- **Applicant must receive Housing Code Violation Complaint from the City of Worcester**
- Homeowner must meet ARPA eligibility guidelines
- Applicant agrees to a 5-year owner-occupied residency restriction

# ARPA LEAD ABATEMENT



## Program Overview

- Maximum grant amount of \$15,000/unit
- City will bid project out on behalf of owner to ensure cost reasonableness
- City makes direct payment to Abatement Contractor

## Eligibility Requirements

- Must own a 1-4 Unit owner-occupied property in the City of Worcester
- Homeowner must meet ARPA eligibility guidelines
- Applicant agrees to a 5-year owner-occupied residency restriction

# WORCESTER LEAD ABATEMENT PROGRAM OWNER OCCUPIED (WLAP)



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## Program Overview

- Maximum grant amount of \$15,000/unit
- Investor owners contribute 10% of lead abatement
- City will bid project out on behalf of owner to ensure cost reasonableness
- City makes direct payment to Abatement Contractor

## Eligibility Requirements

- Property Built Before 1978
- Must have a child under 6 living in the property
- Owner's Income must be below 80% HUD LMI
- Any rental units must be below 50% HUD LMI
- 5 years Deed Restriction.

# DEVELOPER & INVESTOR PROGRAMS



- CDBG Worcester Housing Now – Investor-Owned Rehab
- ARPA Affordable Housing Preservation Program
- HOME Investment Partnership Program



# CDBG WORCESTER HOUSING NOW INVESTOR-OWNED REHAB



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## Program Overview

- Up to 50% of the total cost of the project or, up to \$50,000.00 per **each restricted affordable housing unit**; whichever is less

## Eligibility Requirements

- Must own at least two (2) rental properties in the City of Worcester
- Subject property is 2-4 Units
- At least 51% of building must meet income eligibility (80% AMI), and HUD FMR
  - If vacant, 10% holdback of reimbursement until vacant units are leased to income eligible tenants
- Owner agrees to a **Ten (10) Year Affordability Period**

# ARPA AFFORDABLE HOUSING PRESERVATION PROGRAM



## Program Overview

- The AHP program has two tiers:
  - \$15,000 per affordable dwelling unit in exchange for a 10-year deed restriction for households earning 60% or less of the AMI
  - \$25,000 per affordable dwelling unit in exchange for a 15-year deed restriction for households earning 60% or less of the AMI
- Up to six (6) units per eligible property 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

## Eligibility Requirements

- Property must be in a Qualified Census Tract
- Applicant must utilize 12-month leases for unit(s)
- Owners with a chronic history of code violations without swift resolutions are not eligible
- Each unit funded is subject to an affordability restriction that sets a maximum allowable rent (varying by unit size) and establishes maximum income eligibility limits (60% AMI)

# 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 unhoused in future years

## Eligibility Requirements

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

# LANDLORD SUMMIT



Thank You for Joining Us!

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