Community HOME Investment Program (CHIP) Successful Partnerships

February 22, 2017

Samanta Carvalho, Community Development Specialist
What is CHIP?

Community HOME Investment Program

- Rehab & New Construction of Single Family Homes
- Funded with Federal HUD HOME funds
- $3-6 million statewide annually
- 10-15 grantees per year
- Over last 20 years: $34 million for 4,000 households
CHIP Housing Reconstruction

Home Reconstructed in Sylvester by Southwest Georgia Regional Commission

Before

After
CHIP Housing New Construction

Before

Rusher Street Neighborhood in Washington

After
2018 Application

Application information at
DCA CHIP website:
http://www.dca.state.ga.us/housing/housingdevelopment/programs/CHIPApplication.asp

Application released:
September 1, 2017

Applications due:
December 1, 2017
Eligible Applicants

- City and County Governments
- HUD Participating Jurisdictions can apply
  - Must provide 50% cash match
- Public Housing Authorities
- Nonprofits with 501(c)(3) or (c)(4) designation
Ineligible Applicants

- Applicants that are current grantees with more than 50% in unspent funds by Dec 1, 2017 will not be eligible to apply
Funding Amounts

- $300,000 for housing rehab only grants
- $600,000 for housing construction (new/reconstruction) for sale grants
- $600,000 for combined housing rehab and construction for sale grants
- Plus 2% Admin per grant ($6,000 for $300,000 and $12,000 for $600,000)
Housing Rehabilitation Program

- Estimated funds per house:
  - Up to $50,000 per home for repairs (to code), lead testing and abatement
  - $3,000/home in project delivery costs for the grantee
  - 2% in admin costs per home

- Funds provided to homeowner as a 0% interest 5-year forgivable loan
Housing Rehabilitation Program

- Review the CHIP Administration Manual

- Grantees are responsible for:
  - Qualifying homeowners
  - Qualifying and overseeing contractors
  - Inspections and work write ups
  - Lead Testing
  - Environmental Reviews
  - Processing loan documents and deeds
Single Family Development Grants

- Housing Construction (New/Reconstruction) for Sale to Eligible Homebuyers
  - No set limit for construction costs
  - $5,000/home in project delivery costs for the grantee
  - 15% or $20,000 for developer fee
  - $14,999 homebuyer subsidy: Homebuyer signs affordability period lien for up to 15 years

Grantees reuse the program income for more affordable housing activities
Single Family Development Grants

- Market Analysis
- Site control: ownership, long-term lease or an option to buy the land
- Project ready
  - Plans, Specs, Photos
  - Cost Estimates
  - Historic Preservation Clearance

Homes must be sold within 9 months of construction completion
Single Family Development Grants

- Grantees are responsible for:
  - Procuring a Developer
  - Building/Renovating the Homes
  - Qualifying Homebuyers
  - Pre Purchase Housing Counseling
  - Selling the Home and Filing the Affordability Period Lien

Questions?
Questions and Resources

- **Direct contact:**
  
  Samanta Carvalho  
  CHIP Manager  
  Samanta.Carvalho@dca.ga.gov  
  (404) 679-0567

- CHIP Application and Program Information
- HUD HOME Investment Partnership Program
- DCA Housing Outreach Staff
- Regional Commissions