

Affordable Rental Housing Grant Program

The Affordable Rental Housing Program is intended to assist developers in creating affordable, workforce, rental housing consisting of five to 12 units where 100% of the units are leased to households making no more than 80% of Area Median Income and are leased at not more than Fair Market Rents. All residents must inhabit the units as their primary, permanent residence. The Program may finance (i) the acquisition and adaptive re-use of an existing building or buildings, (ii) the acquisition and substantial rehabilitation of existing, non-rent restricted housing, or (iii) the creation of a newly constructed building or buildings. For purposes of this program, substantial rehabilitation is defined as the acquisition and rehabilitation of existing, non-rent restricted housing in which the cost of the rehabilitation (as deemed necessary by Cumberland County) averages at least \$50,000 per unit.

One goal of the Affordable Rental Housing Program is to bring economic equity to Cumberland County with a preeminence on our rural areas of Cumberland County, which are often left out of the Low Income Housing Tax Credit program as the size, scale and lack of investor interest makes them all but unworkable. The Program will provide subsidy in the form of zero interest forgivable loans as well as paying debt for the acquisition and substantial rehabilitation or construction of any units developed under the Program. The affordability will be required for a minimum of 45 years.

Funding

The maximum forgivable grant amount is \$50,000 per unit for acquisition rehab projects and \$75,000 per unit for adaptive re-use or new construction units. The maximum forgivable loan amount is \$600,000 per acquisition rehab project and \$900,000 per new construction or adaptive reuse project.

Total available funds \$ 2,000,000.00

Timing of Applications

Applications are accepted on an on-going basis as long as resources are available and must be in the form prescribed by Cumberland County. The County will review applications as they are received. Recommendations will not be presented until the AAC has a minimum of three or more applications under review. Cumberland County reserves the exclusive right to determine whether an application meets the requirements of the Program.

Eligible developers are:

- Public Housing Authorities,
- Community Action Agencies
- Non-Profit Housing Developers, and
- For-Profit Housing Developers

Ineligible: Properties that restrict or prohibit the required minimum 45 year covenants, and or any other requirements of the SLFRF program that are applicable to affordable housing development.

Additional Program Stipulation: The focus for this program is to target rural communities of Cumberland County. The County will accept applications from all municipalities, however priority and additional bounce points will be given to areas outside of the Maine DOT defined urban compact areas for greater Portland, Please see link below for corresponding map: <https://www.maine.gov/mdot/mapviewer/index.html> .

Developer Fees

The maximum developer fee, including all overhead and profit, is \$15,000 per unit.