

HOUSING TRUST FUND CORPORATION

OPERATIONS, GOALS AND ACCOMPLISHMENTS FISCAL YEAR APRIL 1, 2015 TO MARCH 31, 2016

New York State Homes and Community Renewal (“HCR”) serves New Yorkers by fostering the creation and preservation of affordable housing in accordance with the vision of Governor Andrew M. Cuomo and under the leadership of Commissioner James S. Rubin. HCR works strategically to revitalize neighborhoods and communities, and brings the State’s housing and community renewal agencies under a single banner and leadership. As a result, New York’s finance and development, community reinvestment, preservation initiatives, and fair housing efforts are better aligned and working together, coordinating efforts, and reducing costs, red tape, and duplicative efforts while increasing the effectiveness of the State's housing and community renewal programs. The HCR umbrella encompasses the Housing Trust Fund Corporation (“HTFC”), as well as the New York State Division of Housing and Community Renewal, the New York State Housing Finance Agency, the State of New York Mortgage Agency, the New York State Affordable Housing Corporation, the Municipal Bond Bank Agency, and the Tobacco Settlement Financing Corporation.

HTFC OPERATIONS

HTFC was established by Chapter 67 of the Laws of 1985, specifically under Section 45-a of the New York Private Housing Finance Law, as a subsidiary public benefit corporation of the New York State Housing Finance Agency. During the fiscal year commencing April 1, 2015 and ending March 31, 2016, HTFC continued to operate in accordance with its by-laws, conducted periodic publicly noticed board meetings to conduct its business, and satisfied its requirements under the Public Authorities Law, the 2005 New York State Public Authorities Accountability Act, and the 2009 Public Authorities Reform Act. The minutes of HTFC board meetings and HTFC’s requisite postings and publications are available at <http://www.nyshcr.org/Agencies/HTFC/>.

HTFC’s mission is to further community development through the construction, development, revitalization and preservation of low-income housing, the development and preservation of businesses, the creation of job opportunities, and the development of public infrastructures and facilities. In accordance with the initiatives of the Governor, HTFC’s mission is expanded to further recovery, rebuilding, and resiliency efforts of homes, businesses, and public infrastructure and facilities in storm-affected counties throughout New York State.

To accomplish its mission, HTFC operates through five program areas: Office of Community Renewal, Office of Housing Preservation, Office of Finance and Development, Office of Professional Services, and Governor’s Office of Storm Recovery.

The Office of Community Renewal is responsible for administering programs that foster community and economic development, job creation and downtown revitalization, including

the Community Development Block Grant Program, Access to Home Program, New York Main Street Program, Rural Area Revitalization Program, Urban Initiatives, and RESTORE Program.

The Office of Housing Preservation is responsible for the programs that maintain and enhance the State’s portfolio of existing affordable housing. This includes administering the Public Housing Modernization Program, Public Housing Drug Elimination Program, Rural Rental Assistance Program, and Preservation Initiative Program; overseeing the Office of Rent Administration; managing contracts with the federal government regarding the Section 8 Housing Choice Voucher (“HCV”) and Project Based Contract Administration (“PBCA”) Programs; and overseeing the asset management of the HTFC’s portfolio.

The Office of Finance and Development aligns all programs that fund the development of affordable housing and is responsible for administering many federal- and state-funded programs including the Low-Income Housing Trust Fund Program, HOME Investment Partnerships Capital Program, Homes for Working Families Program, the Rural and Urban Community Investment Fund Program, and the Medicaid Redesign Team Program.

The Office of Professional Services is responsible for overseeing the workings of Budget and Finance, Administration, Communications, Policy, Fair Housing, and Intergovernmental departments, among others.

In June 2013, Governor Andrew Cuomo set out to centralize recovery and rebuilding efforts from Hurricane Irene, Tropical Storm Lee and Hurricane Sandy in impacted areas of New York State by establishing the Governor’s Office of Storm Recovery which operates under HTFC. The Governor’s Office of Storm Recovery utilizes funding made available by the U.S. Department of Housing & Urban Development’s Community Development Block Grant Disaster Recovery Program as well as other federal programs to aid storm recovery efforts in the State of New York. The operations of the Governor’s Office of Storm Recovery, along with its accomplishments and goals, are separately set forth beginning on page 8.

HTFC ACCOMPLISHMENTS

For the fiscal year ending March 31, 2016, the following was appropriated to HTFC to administer:

Low Income Housing Trust Fund	\$47,400,000	Public Housing Modernization	\$6,400,000
HOPE/RESTORE	\$1,400,000	New York Main Street	\$4,200,000
Access to Home	\$1,000,000	Homes for Working Families	\$17,500,000

Community Investment Fund	\$17,000,000	Medicaid Redesign Team	\$34,000,000
Neighborhood Preservation Program	\$21,158,745	Rural Preservation Program	\$8,748,524
Rural Rental Assistance Program	\$21,642,000	Nursing Home Transition Diversion Waiver	\$7,303,000
Section 8 Housing Choice Voucher	\$406,000,000	Section 8 Project Based Contract Admin	\$1,457,200,000
HOME	\$17,824,381	Community Development Block Grant	\$46,416,364
Community Development Block Grant Disaster Recovery*	\$4,487,882,000		

*Total amount of CDBG-DR funds awarded to the State since 2012 which includes \$4,416,882,000 in funds awarded for Hurricane Sandy in 2013 and \$71,000,000 awarded for Hurricane Irene and Tropical Storm Lee in 2012.

In addition to the above State and Federal appropriations, additional funding has been added to some of the State program areas through the JP Morgan Chase Settlement Funds.

During its fiscal year, HTFC effectively administered Federal and State programs and continued to work with State, Federal, and local agencies, and private sector partners to leverage all available resources to further its mission.

Through the Office of Community Renewal, HTFC made 328 awards across the Access to Home Program, Access to Home for Veterans Program, Access to Home for Medicaid Program, Buffalo Main Streets Initiative, Community Development Block Grant Program, the HOME Investment Partnership Program, New York Main Street Program, Rural Area Revitalization Projects, RESTORE - Residential Emergency Services to Offer Repairs to the Elderly, and Urban Initiatives Program, totaling \$97,257,167 and leveraging \$158,968,152. These awards created or preserved 11 civic units and 261 commercial units; they rehabilitated 2,889 residential units and created 28 residential units; and they created or preserved 432 jobs and assisted 289 households and 288,543 people.

Through the Office of Housing Preservation, HTFC made 25 awards, excluding activity as set forth below under its Rural Rental Assistance, Section 8 Housing Choice Voucher, Project Based Voucher, and Project Based Contract Administration Programs, totaling \$12,710,765. These programs assisted 1,117 households and preserved 203 residential units.

Through the Office of Finance and Development, HTFC made 61 awards across the HOME Program, the Low-Income Housing Trust Fund Program, the Homes for Working Families Program, the Rural and Urban Community Investment Fund Program, and the Medicaid Redesign Team Program, totaling \$155,744,589, leveraging over \$950 million. These awards spurred over \$1.3 billion in affordable housing and community renewal investment throughout the State, and assisted in the creation or rehabilitation of nearly 4,500 units of affordable housing. These awards include \$9.7 million in HOME funds which will assist in the development 146 new units of affordable housing and the preservation of 23 units; a Low Income Housing Trust Fund investment of nearly \$57 million which will assist in the development or preservation of 1,073 units of affordable housing; nearly \$52 million in Medicaid Redesign Team funds to projects which are expected to result in the reduction of Medicaid expenditures; and nearly \$21 million in Homes for Working Families funds which will assist in the development or preservation of over 1,500 units of affordable housing. HTFC provided financial support for projects with coordinated investments with the Governor’s Office of Storm Recovery, other HCR entities, and State agency partners including the Office of Mental Health, Office for Persons with Developmental Disabilities and the Office of Temporary and Disability Assistance.

A summary of HTFC’s awards by program and their impact is as follows:

HTFC Program	Amount Awarded	Amount Leveraged	Housing Units, Jobs, or Businesses Created/Preserved, and Households or People Assisted
Access to Home	\$2,250,000	\$1,516,096	172 Units
Access to Home for Veterans	\$1,600,000	\$619,545	107 Units
Access to Home for Medicaid	\$2,350,000	\$2,175,947	192 Units
Buffalo Main Streets Initiative	\$3,772,500	\$14,375,950	148 Units
Community Development Block Grant	\$55,908,608	\$83,060,252	727 Units, 289 Households, 432 Jobs, 288,543 People
HOME Investment Partnership	\$16,845,231	\$23,826,662	690 Units
New York Main Street Program - JP Morgan Funds	\$5,500,000	\$15,792,648	218 Units
New York Main Street	\$3,920,328	\$9,743,744	205 Units
Rural Area Revitalization Projects	\$507,500	\$343,500	14 Units
RESTORE - JP Morgan Funds	\$1,399,000	\$681,182	180 Units
RESTORE - Residential Emergency Services to Offer (Home) Repairs to the Elderly	\$2,675,000	\$6,301,626	524 Units
Urban Initiatives	\$529,000	\$531,000	12 Units

Public Housing Modernization and Drug Elimination	\$7,866,217	\$53,331,170	1117 Households
Imperiled Projects	\$77,871	N/A	11 Units
Preservation Initiative Projects	\$4,766,677	N/A	192 Units
Medicaid Redesign Team	\$51,778,498	\$297,734,283*	203 Units*
HOME	\$9,716,337	\$24,186,681*	169 Units*
Low Income Housing Trust Fund	\$56,703,877	\$227,314,094*	1,073 Units*
Homes for Working Families	\$20,720,000	\$259,483,591*	1,501 Units*
Rural and Urban Community Investment Fund	\$12,540,944	\$274,249,177*	860 Units*

*The amount leveraged and impact for projects receiving additional sources of HTFC financing is duplicated.

These awards were spread across the State and distributed to all ten regions established by the Regional Economic Development Council.

A summary of HTFC's awards by region is as follows:

Office of Community Renewal Programs	
Region	Amount Awarded
Capital Region	\$13,132,006
Central NY	\$8,366,000
Finger Lakes	\$11,596,900
Long Island	\$250,000
Mid-Hudson	\$13,071,807
Mohawk Valley	\$7,037,037
North Country	\$14,834,093
NYC	\$3,972,375
Southern Tier	\$12,564,949
Western NY	\$12,432,000

Office of Housing Preservation Programs	
Region	Amount Awarded
Central NY	\$3,088,000
Long Island	\$1,625,000
Mid-Hudson	\$509,632
Mohawk Valley	\$2,429,053
North Country	\$2,579,981
Western NY	\$1,098,322
NYC	\$1,380,777

Office of Finance and Development Programs	
Region	Amount Awarded
Capital Region	\$11,194,885
Central NY	\$9,366,910
Finger Lakes	\$39,466,869
Mid-Hudson	\$14,907,445
Mohawk Valley	\$8,006,736
North Country	\$4,940,401
NYC	\$40,166,704
Southern Tier	\$9,782,453
Western NY	\$10,343,694

HTFC complemented its mission to preserve low-income housing by providing significant levels of housing assistance to very low-, low- and moderate- income families in its administration of the Section 8 Project Based Contract Administration (“PBCA”), Section 8 Housing Choice Voucher (“HCV”), Project Based Voucher, and Rural Rental Assistance Programs (“RRAP”), which together provided \$1.74 billion in housing assistance payments on behalf of the families served.

HTFC has the country’s largest Section 8 PBCA Program portfolio. Over the course of the fiscal year, HTFC grew its portfolio from 989 contracts covering 99,573 multifamily Section 8 Project-Based units to 1,002 contracts covering 101,579 units. These contracts amounted to Housing Assistance Payments paid out on behalf of families exceeding \$1.3 billion. Additionally, HTFC, through the PBCA program, coordinated efforts to provide weatherization services and repairs for properties under the PBCA and RRAP to ensure the continued use of the properties. On a cumulative basis since coordinated activity with Weatherization Assistance Program began, over \$4.2 million has been invested in properties in the RRAP portfolio and over \$123 million has been invested in PBCA properties, weatherizing nearly 40,000 units.

HTFC is the second largest Public Housing Agency in the country administering the HCV Program, and for the ninth consecutive year, HTFC was rated a “High Performer” by HUD for its HCV performance over the fiscal year. HTFC provided \$405,184,871 in tenant-based rental assistance, which, on average, provided 41,627 families HCV rental assistance each month. This housing assistance includes HTFC’s allocation of 1,165 Project Based Vouchers to 7 developments that undertook HUD Rental Assistance Demonstration Program preservation initiatives.

HTFC had 219 RRAP contracts in 43 New York State Assembly districts and 21 Senate Districts in the State’s rural regions, which provided rental assistance to 4,475 very-low-, low- and moderate- income senior citizens and families, totaling an average of \$1.47 million per month. On an annual basis, the rental assistance amounts to more than \$17.5 million.

HTFC continued to play a critical role in disaster recovery efforts. The accomplishments of the Governor's Office of Storm Recovery are separately set forth beginning on page 9.

HTFC's accomplishments extended past those served by awards. During the fiscal year, HTFC continued to advance the Governor's Minority and Women Owned Business Enterprise ("MWBE") initiatives in accordance with the 2010 Business Diversity Act. HCR's MWBE accomplishments, through the Office of Economic Opportunity and Partnership Development, include effective training on MWBE compliance and successful outreach efforts in the MWBE community through the attendance of conferences, workshops and other industry related events to provide information and assistance to MWBEs on how to do business within the HCR structure. In addition, every RFP/RFQ was reviewed to advocate for direct contracting or subcontracting opportunities for MWBE firms. Some MWBE successes for HCR included a contract for a services in connection with analysis of impediments to fair housing awarded to self-identified small business who indicated they are partnering with a MBE, BCT Partners, and a WBE, Highland-Planning, LLC; a contract for a services in connection with Section 3 Compliance awarded to Mpace Strategic Consulting, LLC, an MBE who has partnered with a MBE subcontractor, Elations Systems, Inc. resulting in 100% MBE participation for this contract; and a contract for a services in connection with Independent Auditor Services awarded to a majority firm who is partnering with an MBE, Watson Rice, to meet the 30% Article 15-A goal of this contract.

HTFC achieved 21.17% MWBE participation overall for the fiscal year with 11.53% in MBE utilization and 9.64% in WBE utilization. In the last quarter, HTFC achieved 29.73% in MWBE participation.

HTFC GOALS

In the next fiscal year, HTFC will continue to distribute awards across all regions in furtherance of its mission. HTFC will continue to work with the Governor's Office, other State, Federal, and local agencies, and private sector partners to leverage all available resources and avoid redundancies in review processes and monitoring to ensure that it is serving the affordable housing community to the best of its abilities. HTFC will continue to expand programs statewide and obligate all past and new funding.

HTFC will continue its disaster recovery efforts, through the Governor's Office of Storm Recovery. The goals of the Governor's Office of Storm Recovery are set forth beginning on page 16.

Additionally, HTFC will continue its efforts to increase MWBE participation for contracts with a goal of 30% MWBE participation.

GOVERNOR'S OFFICE OF STORM RECOVERY

GOSR OPERATIONS

GOSR administers its NY Rising programs directly via staff and vendors, as well as through a variety of organizations and municipalities through Sub-Recipient Agreements. As shown in the following organization chart, GOSR is led by Executive Director Lisa Bova-Hiatt, with support and oversight from HCR's Commissioner Jamie Rubin, Executive Deputy Commissioner and COO Betsy Mallow and the Executive Chamber's Assistant Secretary for Homeland Security, Kamilah Smith, who oversees different programmatic portfolios, while managing general and support services, including legal, finance, and operations.

Storm Recovery Programs

The State's initial Action Plan focused primarily on: 1) addressing immediate housing and business assistance needs in storm-impacted communities; and 2) aiding governments to cover emergency expenses through the provision of funds/ matching funds to support, repair and mitigate critical infrastructure assets. The State also worked with storm-damaged communities to begin a comprehensive community-based planning process known as the NY Rising Community Reconstruction Program (NYRCR).

Housing Recovery

Spearheading the State's efforts to assist storm-affected homeowners, GOSR operates its NY Rising Housing Recovery Program to facilitate home repairs, rehabilitation, mitigation and elevation for the owners of single family homes. Additional programs are available for the owners of storm-damaged rental properties, as well as for condominium and cooperative properties. In addition, the Multifamily Affordable Housing Program funds the development of affordable housing in storm-impacted communities.

In February 2014, the State began disseminating payments through the Interim Mortgage Assistance (IMA) program, thereby seeking to supplement funding for families who have accrued further housing costs. The Housing Recovery Program also manages the State's Buyout and Acquisition Programs, which have offered hundreds of millions of dollars to purchase the homes of interested homeowners in areas affected by the storms.

Small Business

Rendering grants to support independently-owned and operated small businesses that were affected by recent storms, the NY Rising Small Business Program helps to repair or replace needed equipment or lost inventory, renovate facilities that were damaged/ destroyed, or provide working capital needed as a direct result of the storms.

Throughout 2015, the program continued to refine policies and procedures, conduct additional training and further enhance the capabilities of Intelligrants, the system of record, to improve operational efficiencies and quality control. As of May 1, 2015, the program was closed to acceptance of new applications, but continued processing remaining applications in the pipeline while also initiating funding of future construction activities to eligible

applicants. By the end of 2015, the program had awarded \$43.5 million to more than 990 applicants and disbursed \$39.6 million of program funds.

As of March 31, 2016, the program had awarded 1,068 businesses a total of more than \$46.7 million and has provided disbursements in the amount of approximately \$41.9 million to 1,014 businesses.

Community Reconstruction

Serving to balance top-down strategies, the bottom-up NY Rising Community Reconstruction (NYRCR) Program facilitates an extensive redevelopment process that considers and incorporates unique local needs into the planning and implementation phases. With 66 local planning committees at the heart of this undertaking, the program promotes deep civic engagement and empowers municipalities, State agencies, and non-profits to implement community-generated projects. The State has allotted awards ranging from \$3 million to \$25 million per community to fund the implementation of recovery and resiliency strategies, and has undertaken the development of hundreds of individual projects through local partnerships.

Infrastructure & Local Government

Striving to stabilize and protect New York from future incidents of extreme weather, the NY Rising Infrastructure Program continues to assist local governments to address recovery needs. The program assists local governments by running two program areas, a non-federal share or local Match program and Standalone recovery program. The non-federal share program provides the local match for non HUD-funded federal disaster recovery programs run by the Federal Emergency Management Agency (FEMA), Environmental Protection Agency (EPA) and the Department of Transportation (DOT). Through SFY 2016 the program has provided the match to over 500 units of government disbursing over \$190 million dollars. Through the Standalone program, GOSR is investing in projects that are transforming the State's infrastructure, including transportation networks, energy, coastal protection, weather warning system and emergency management programs. Through these critically-important investments, the State is plans to invest nearly billion dollars to establish a sustainable network of systems that supports continuing growth and resiliency in New York.

GOSR ACCOMPLISHMENTS

During the fiscal year, from April 1, 2015 to March 31, 2016, GOSR worked with State, federal, and local agencies, as well as private sector partners, to deliver disaster recovery funds to communities, homeowners, small businesses, government agencies, and infrastructure projects. GOSR continues to advance its Housing Recovery and Small Business Programs, conducting thousands of inspections to issue awards. At the same time, GOSR is committed to enhancing the long-term resiliency of the State, as it furthers a number of comprehensive infrastructure projects, including those being funded through HUD's Rebuild by Design Competition. The agency promotes these various undertakings through outreach and case management activities.

Assistance provided directly to homeowners and small business beneficiaries is highlighted below by program:

Program	Beneficiaries	Expended
Homeowner	10,000+	\$281,608,842.46
Buyout & Acquisition	495	\$153,890,522.58
Interim Mortgage Assistance	936	\$8,685,698.85
Small Business	438	\$16,787,687.06
Rental Properties	573	\$18,604,311.51
Affordable Housing – Multi Family	323	\$16,945,609.72

Table 1: Beneficiary and expenditures by program during the Fiscal Year ended March 31, 2016

In addition, funds were spent to help impacted communities and rebuild critical State infrastructure.

Program	Expended
Infrastructure	\$67,666,032.75
Community Reconstruction	\$5,680,468.96

Table 2: Infrastructure and Community expenditures during the Fiscal Year ended March 31, 2016

Including planning, program delivery, and administrative costs a total of \$852,376,420 was expended during the fiscal year.

Program	Expended
Housing	\$ 438,148,978.93
Interim Mortgage Assistance	\$ 11,014,221.28
Buyout & Acquisition	\$ 190,316,298.96
Economic Development	\$ 27,003,016.40
Rental Properties	\$ 23,859,118.58
Public Housing Authority	\$ 15,922.88
Multi-Family	\$ 17,574,109.43
Infrastructure	\$ 92,529,578.62
Rebuild By Design	\$ 1,309,623.39
Community Reconstruction	\$ 19,431,067.43
Administration	\$ 31,174,484.26
Total	\$ 852,376,420.16

Table 3: Total Dollars Expended by program during the Fiscal Year ended March 31 2016 as reported in GOSR's Quarterly Progress Report to the Department of Housing and Urban Development.

Housing Recovery Program

In fiscal year 2015-2016, the NY Rising Housing Recovery (Single-Family Housing) Program continued to provide funds to homeowners impacted by Superstorm Sandy, Hurricane Irene and Tropical Storm Lee. The program offers funding for home rehabilitation and reconstruction, as well as, funding for optional resiliency adaptations for homes (bulkhead, elevation, and other optional mitigation activity). As of the last quarter of the 2015-2016 fiscal year ending March 31, 2016, Single-Family Housing issued payments to 11,706 applicants for a total disbursement of \$704 million dollars. Of that value, the program disbursed \$26,692,817 to 3,935 low-and moderate- income households.

As noted in the 2014-2015 Annual Report, the Single-Family Housing Program was closed to new application on April 11, 2014. Since that time, the program focused on providing comprehensive assistance to applicants as they rehabilitate their homes and make additional resiliency improvements through closeout. Comprehensive assistance includes offering its

more than 12,085 applicants the opportunity to participate in the Optional Measures components of the program, including the development of a program-sponsored Construction Program and environmental remediation support. In addition, the program provides more intensive support to more vulnerable, LMI applicants with Social Service Block Grants (SSBG), thereby benefiting more than 2,600 LMI households.

The opportunity to participate in Optional Measures ended for the vast majority of applicants on March 31, 2016 with more than 1,100 applicants electing bulkhead repair, 2,500 homeowners electing to elevate, more than 2,600 applicant electing other optional measures ranging from elevating boilers and electrical systems to installing flood vents, backflow valves and/ or roof strapping. With the closure of Optional Measures, the program's primary prospective goal is to close out applicants. The closeout goal is facilitated through payment to applicants and the aforementioned program-sponsored Construction Program.

In 2015, the Housing Recovery Program launched a full-service design and construction assistance effort to assist applicants with the completion of their repair, elevation, mitigation, and reconstruction projects. Work will be awarded through competitive procurement to the 15 construction services firms that GOSR has prequalified, after which GOSR will supervise and certify the work, and compensate the construction firms through direct contracts. This new form of assistance is anticipated to greatly enhance GOSR's ability to finalize applicants and meet the State's storm recovery goals.

To date, more than 3,954 applicants have closed out of the program. These applicants have completed the rehabilitation of their homes or optional measures. During the past year, the program substantially increased the number of closeouts. In the year ending on March 31, 2015, the program closed out 883 cases. Over the course of the last year, the program closed out over 3,100 additional cases.

Rental Properties Program

In fiscal year 2015-2016, the NY Rising Rental Properties Program continued to provide funding for home rehabilitation, reconstruction, and elevation, as well as, funding for optional resiliency adaptations for homes (bulkhead, elevation, and other optional mitigation activity). From inception through the last fiscal year (ending March 31, 2016), the program issued payments to 595 applicants for a total disbursement in the amount of \$26,322,882. Of that sum, \$8,377,422 was disbursed to 177 properties with 51 percent or more low-to-moderate income (LMI) tenants. A total of 99 of those 177 LMI properties received payments for a combination of reimbursement and repair assistance, and 36 applicants with LMI properties received payments for repair assistance only.

During this year, the Rental Property Program sought to coordinate more closely with Single-Family Housing, in order to streamline opportunities for applicants. Most notably, the Rental Property Program changed its award cap to mirror the \$300,000 cap in Single-Family Housing for one-to-two unit properties. The Rental Property Program will begin to offer program-sponsored Construction Program and environmental remediation support to advance its applicants to closeout.

As of February 16, 2016, the Rental Property Program is closed to all non-LMI applicants. In order the better serve LMI populations, GOSR engaged HUD to develop new affordable rental incentives to attract new storm-impacted homes to the Rental Properties Program.

Affordable Housing Program

The NY Rising Rental Buildings Recovery Program Affordable Housing Fund (AHF) makes CDBG-DR resources available to create or rehabilitate affordable rental housing. The program is run jointly between GOSR and HCR. Through the utilization of HCR's established Request for Proposal (RFP) and State register notice process, the program engages development partners in the production and preservation of rental housing in areas of the State with unmet needs to repair or replace housing damaged by the covered storms.

As of March 31, 2016, the program has conditionally committed funds to 11 projects that will create cumulatively 698 units of affordable rental housing through a commitment of \$68,615,000 in CDBG-DR funds through two joint RFPs. On March 15, 2016, the program issued a third RFP and expects to have all projects under construction in fiscal year 2016-2017. The program seeks to make available an additional \$12,000,000 to develop more affordable housing throughout storm-impacted areas.

Buyout Program

For the fiscal year ending on March 31, 2016, the State of New York has drawn CDBG-DR funding for the acquisition of 403 homes in Oakwood Beach, Ocean Breeze and Graham Beach, Staten Island and various locations in Long Island owned by LMI and Urgent Need (UN) applicants. Combined, the pre-storm fair market value of these homes totaled about \$156.1 million. Additionally, a relocation incentive offered to homeowners who choose to purchase an eligible replacement property has resulted in payments exceeding \$1,579,500.00. Lastly, tenants who were displaced by the storm (as well as those displaced by the Buyout Program) may be eligible for relocation payments pursuant to the Federal Uniform Relocation Act. To date, \$394,319.63 in tenant relocation funds have been disbursed. Funds expended during the quarter include direct payments for acquisitions as well as associated program delivery costs.

Condo / Co-op Program

HUD approved Action Plan Amendment 11 on January 25, 2016, authorizing the newly-revised Condo/ Co-op Program. This separate program addresses the unique conditions posed by these types of legal structures. This will allow the program to fund common elements, as well as individual unit owners. The Condo/ Co-op Program has already begun issuing payments. An initial award of \$1,029,174.34 was paid to a condominium in Long Beach during the fiscal year ending March 31, 2016. There are currently 38 active condos/ co-ops that have applied to NY Rising. The program is still open and accepting applications.

Interim Mortgage Assistance Program

HUD approved the IMA Program in November 2013. GOSR understands that many displaced families expended all of their FEMA resources and are now struggling to pay a mortgage on their damaged homes, while also paying for interim housing costs. As such, GOSR developed policies and procedures and built the programmatic infrastructure needed to begin the distribution of reimbursement payments to eligible IMA applicants. GOSR issued total payments from inception through the fiscal year ending March 31, 2016 in the amount of \$ 21,091,400. This represents payments to 730 UN applicants totaling \$16,129,729 as reimbursement of additional housing costs incurred during the months they were displaced from their uninhabitable homes, and for which they had received no other payments. The program also issued payments to 206 LMI applicants in the amount of \$4,961,671. This fiscal year, on March 30, 2016, the program got approval from HUD to extend IMA assistance for up to 36 months. 31 displaced families have already benefited from the extension. The program will continue to reimburse eligible applicants for prospective months that they are displaced from their homes during reconstruction and rehabilitation. In order to assist homeowners during the construction of their homes, the application period for the IMA Program will continue to stay open to all participants in the Single Family Homeownership Program and the Condo-Coop Program. Payments will continue to be made to eligible Program participants upon submittal of their mortgage and rental receipts each month.

Small Business Program

Throughout 2015, the Small Business Program continued to refine policies and procedures, conduct additional training and further enhance the capabilities of Intelligrants, the system of record, to improve operational efficiencies and quality control. As of May 1, 2015, the program was closed to acceptance of new applications. Throughout 2015, the program continued processing remaining applications in the pipeline and also initiated funding of future construction activities to eligible applicants. As of the end of 2015, the program had awarded \$43.5 million to more than 990 applicants and disbursed \$39.6 million of program funds.

As of March 31, 2016, the program has awarded 1,068 businesses a total of more than \$46.7 million and has provided disbursements in the amount of approximately \$41.9 million to 1014 businesses.

Infrastructure & Local Government

In 2015, the Infrastructure and Local Government Program launched a range of recovery-related initiatives designed to not only address damages from Superstorm Sandy, Hurricane Irene and Tropical Storm Lee, but to also to make communities and public infrastructure assets more resilient. These strategies utilized innovative technologies and green infrastructure solutions, while continuing to reimburse the State for Federal Emergency Management Agency (FEMA) Public Assistance match commitments. Additionally, GOSR, working with New York's Department of Homeland Security & Emergency Preparedness, reached an agreement with FEMA that allowed the State to implement an innovative financing strategy to address the State's cost share requirement for FEMA Hazard

Mitigation Program. This financing solution, in which GOSR was to utilize CDBG-DR funds, allowed GOSR to “save” more than \$250 million in CDBG-DR funds that are now being used for other disaster recovery programs run by GOSR.

In 2015, the program began to implement two Rebuild by Design projects that were awarded to the state through HUD’s national design competition. Totaling \$185 million dollars, one project known as the Living Breakwaters, will use \$60 million of funding to create a living breakwater that utilizes environmental man made materials and oysters to naturally protect a portion of Staten Island. The second project, known as Living with the Bay, is located in Nassau County and runs from Hempstead Lake State Park down to the coastal barrier islands in the bay. The project, using \$125 million, will make communities located along the Mill River more resilient to not only hurricanes but will address storm management water issues that improve water quality. Design of both projects began and environmental permitting process for the Living Breakwaters has begun.

The program also launched the Critical Infrastructure Program. This program assists public facilities defined by FEMA as being critical assets. The program currently is assisting storm impacted wastewater treatment facilities, public utilities and hospitals. GOSR was able to make a \$10.3 million payment to assist Long Island Power Authority address matching costs required to restore power to Long Island following Sandy and Irene. Without this support, Long Island Power Authority would have been forced to increase rates. Additionally, the Program made match payments, which reimburse the State as part of the Public Assistance Program of \$46.1 million. In Nassau County, GOSR worked closely with the county administration to help the Bay Park Wastewater Treatment enact recovery and resiliency actions and will be providing up to \$101 million dollars for an upcoming recovery phase began in June of 2015. This phase will incorporate resiliency actions and back-up power generation capacity, which should mitigate against power losses and discharges that occurred after Sandy. In Suffolk County, GOSR, working with the county administration, was able to put in place a \$383 million program that will make four watersheds in the county more resilient to future storms by taking homes that are currently operating on septic systems and converting these homes to sewers. In addition to safeguarding homes from discharges following storms, the project will improve water quality in the Great South Bay. This will allow the county’s coastal wetlands and marshes to be restored more quickly, allowing these natural systems to be more resilient and allow them to act as a first line of defense when hurricanes and extreme weather events come ashore.

The program also launched the local and municipal government program using \$40 million to assist the HUD defined Sandy most impacted counties address unmet storm related needs and address resiliency and public safety needs that were exacerbated by Sandy. Funds were provided to Nassau, Suffolk and Rockland counties.

Community Reconstruction Program

The NY Rising Community Reconstruction (NYRCCR) Program consists of two phases: 1) an eight-month community-based planning process to empower the State’s most impacted communities with the technical expertise needed to develop reconstruction plans to build physically, socially, and economically resilient and sustainable communities; and 2) an

implementation phase, where resiliency projects and public services proposed in these Community Reconstruction Plans are implemented.

Last year, the NYRCR Program concluded its planning process, which engaged nearly 650 New Yorkers who represented their communities by serving on volunteer Planning Committees and hundreds more who participated in Public Engagement Events. On March 31, 2014, each of the first 45 CDBG-DR funded Planning Committees submitted to the State their final NYRCR Plans, which contain proposed projects to be implemented with the allotted CDBG-DR funding. (The remaining five Round I Planning Committees not supported by CDBG-DR funding, finalized plans in August 2014.) 16 additional Planning Committees, which were announced by the Governor in January 2014, began the planning process in June 2014 and concluded in January 2015. The program is currently in its implementation phase, in which each participating community has been allotted by GOSR between \$3 million and \$25 million in CDBG-DR funding for the implementation of eligible projects identified in NYRCR Plans. As it did during its community-driven planning phase, in implementation, the NYRCR Program strives to build local leadership, capacity, and knowledge of resiliency.

GOSR has entered into agreements with 76 local and county government and non-profit entities that will serve as sub-recipients to implement hundreds of community-developed projects, many of which are well underway. The program is also working with the Dormitory Authority of the State of New York to implement dozens of projects across the three regions. As of April 11, 2016, the Program has well over 200 active projects in design and engineering, dozens of which will go out to bid for construction over the coming summer. In New York City, a number of projects focusing on the provision of public services designed to aid in long-term recovery and promote both social and physical resiliency are already underway. GOSR continues to work with the Planning Committees that led this groundbreaking effort, with the general public, and with local governments and other stakeholders to ensure that New York builds back better.

GOSR GOALS

In the next fiscal year, GOSR will continue to work with other State, federal, and local agencies, and private sector partners to leverage all available resources and avoid redundancies in review processes and monitoring to ensure that it is serving the individuals, small businesses, and communities impacted by Sandy, Irene, and Lee. GOSR plans to continue to implement existing programs and intends to leverage CDBG-DR and National Disaster Resiliency Competition funds to fully build out the Public Housing Authority Program. Additionally, GOSR will begin making the State match payments on the FEMA Hazard Mitigation Grant Program.

GOSR will continue to provide staff and resources to administer CDBG-DR program for New York State, including the capacity to provide oversight, monitoring, and coordination of planning activities and programs. Additionally, GOSR will continue its efforts to increase Minority & Women-Owned Business Enterprise participation for contracts.