



House NY Mitchell-Lama Program

HOUSE NY MITCHELL-LAMA PROGRAM (HML): In June 2013, HFA acquired a 44-property portfolio of Mitchell-Lama project loans. The objective of the acquisition was to ensure preservation of affordable housing units through refinancing project loans, as well as generating funds for capital improvements and property upgrades. As part of the State’s commitment to increase and preserve the number of affordable housing opportunities for its residents, HFA makes available HML funds for the preservation and improvement of these Mitchell-Lama properties.

Applicants for HML capital financing are typically expected to have projects that will also have first mortgages financed by tax-exempt Private Activity Bonds issued by HFA or for projects seeking allocations of 9% Low Income Housing Tax Credits through the Unified Funding Application. However, HML funds may also be requested through the open window RFP on a “stand-alone” basis. HCR considers HML funding as “gap-filler” financing, and loans are awarded for projects requiring a final amount of financing for viability. Please note that funds available in the Unified Funding Application for 9% LIHTC may be subject to different program requirements and terms than described below.

Actual award amounts will be based on the demonstrated need for such funding by HCR and HFA underwriting standards and must be recommended by HCR staff, the HCR or HFA Credit Committee and approved by the HTFC and/or HFA Boards as applicable. Applicants are strongly encouraged to apply for only the funding necessary for the financial feasibility of the project and to leverage funding from non-HCR sources.

FY 2016-17 Anticipated Amount Available	Up to \$42,000,000.
Per Project Maximum Award	N/A
Per Residential Unit Maximum Award	N/A
Interest Rate and Loan Terms	6% accruing during construction shall be added to the principal upon permanent conversion; 1% during permanent. 30 year term payable from 50% of excess cash flow after repayment of deferred developer fee.
Construction and/or Permanent Financing	Construction and permanent financing available.
Eligible Uses	Preservation and improvement of rental Mitchell-Lama properties located in New York State that are part of HFA’s acquired portfolio.
Priorities	House NY Mitchell-Lama portfolio projects

Scoring Criteria	Developer Team Experience and Capability (25), Readiness (35), Financial Feasibility and Efficiency (30), Leverage (10)
Area Median Income Restrictions	Projects must comply with any applicable Mitchell-Lama requirements. Projects seeking tax-exempt bond financing must meet the standard tax-exempt bond and LIHTC low income set aside requirements on 20% of the units affordable to households with incomes at 50% or less of AMI or 40% (25% in NYC) of the units affordable to households with incomes at 60% or less of AMI.
Available with HFA Bonds?	Yes
Available with Other Bond Issuers?	No
Available with HPD Allocated 9% LIHTCs?	No
Available as "Stand Alone" Resource for Projects without LIHTCs or Bonds?	Yes
Eligible Applicants	Not-for-profit corporations or charitable organizations, or a wholly owned subsidiary of such corporations or organizations, or private for-profit developers.
Regulatory Agreement Requirements	Minimum 40 year regulatory agreement.
Additional Eligibility Criteria	Must be in the portfolio of 44 Mitchell-Lama projects acquired by HFA under the House NY Plan.
Geographic Targeting	None. This program is specifically available to the House NY Mitchell-Lama portfolio of projects.
Environmental Review	SEQRA, which includes a "No Impact" determination from the State Historic Preservation Office, for HFA/HTFC approval. Additional NEPA review and approval may be required.
Design Guidelines	HFA architectural design and constructability review. HTFC Design Guidelines do not apply.
Green Building Requirements	Must meet HFA Green Requirements.
Marketing Plan Requirements	Fair Housing Affirmative Marketing Plan acceptable to HCR.
NYS MWBE Requirements	Yes

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Application Fee	\$5,000
Monitoring and Servicing Fees	A fee sufficient to cover the cost of monitoring program requirements will be charged unless, for projects not financed by HFA tax-exempt bonds, another governmental funder agrees to monitor this program's requirements in conjunction with their normal monitoring in a manner acceptable to HCR.
Deadline	Applications accepted until 5:00 p.m. March 1, 2017. It is anticipated that an RFP will be issued again in April 2017 for Fiscal Year 2017-18 funding.
Additional Submission Requirements	HML Supplemental Application Form. For projects also seeking tax-exempt bond financing through HFA or for projects seeking allocations of 9% Low Income Housing Tax Credits through the Unified Funding Application, additional information will be required with those applications as applicable.
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