



Middle Income Housing Program

MIDDLE INCOME HOUSING PROGRAM (MIHP): Producing and preserving workforce housing for New York State is central to supporting cities and towns across the State. The Middle Income Housing Program, which provides gap funding to developments that include a component of units that will be occupied by households earning up to 130% of AMI, will increase the total number of mixed and middle income units throughout the State. Resources will go to projects in areas that serve three goals: housing opportunity, revitalization and stabilization. Housing Opportunity projects provide workforce housing in areas experiencing economic growth and/or that provide opportunities for families in areas that are served by high performing school districts. Mixed Income Revitalization Projects are projects in economically challenged neighborhoods that provide a rent advantage to moderate and middle-income households to encourage diversification of tenant incomes. Lastly, Middle Income Stabilization projects target neighborhoods that straddle strategic borders between economically vibrant and economically challenged communities.

MIHP provides financing assistance for site acquisition, hard costs and related soft costs associated with the new construction of or the adaptive reuse of non-residential property to affordable middle income housing in order to create more income diversity in affordable housing development and reach the underserved middle income residents of New York. Financing is only available for site-specific multi-family rental housing that will also have first mortgages financed by tax-exempt bonds issued by HFA, HDC or Bond Issuer or will receive an award of 9% LIHC from a Housing Credit Agency. 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 Credit Committee and approved by the HTFC and/or HFA Board 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 \$15 million.
Per Project Maximum Award	Up to \$5,000,000. HCR does not anticipate issuing the maximum per project award to most projects.
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 financing available in conjunction with HFA bonds. Otherwise, permanent financing only.
Eligible Uses	New construction of, or the adaptive reuse of non-residential property to, affordable housing, or substantial rehabilitation or moderate rehabilitation of site-specific multi-family rental housing.
Priorities	Housing Opportunity Projects, Mixed Income Revitalization Projects, Middle Income Stabilization Projects, Remediated Brownfield Sites, 20% or more 2 Bedroom or Larger Units.
Scoring Criteria	Developer Team Experience and Capability (10), Readiness (20), Financial Feasibility and Efficiency (10), Leverage (15), Priority Outcomes (15), Overall Outcomes (15), Number of 2 Bedroom or Larger Units (5), Percentage of Units Affordable to Residents Above 60% AMI and Below 130% AMI (10)
Area Median Income Restrictions	<p>Up to 130% AMI. At least 10% of units must be for households over 60% AMI with half of such for households over 90% AMI. Projects must meet the standard tax exempt bond and LIHTC low income set aside requirements.</p> <p>In areas where market rents are below 130% AMI, rents should be set at 10% under the market rate rent. HCR will allow a reduced rent burden to encourage middle- and moderate- income households to reside in economically distressed neighborhoods, such as Qualified Census Tracts. In such cases, the following household income limits will apply to middle and moderate income units:</p> <ul style="list-style-type: none"> • Units with rents at or below 80% AMI can be rented to households with incomes up to 100% AMI. • Units with rents above 80% AMI can be rented to households with incomes up to 130% AMI.
Target Populations	Preference for households earning between 60% AMI and 130% AMI with a priority for households earning between 90% AMI and 130% AMI.
Available with HFA Bonds?	Yes
Available with Other Bond Issuers?	Not at this time. However, HCR intends to offer resources for projects in conjunction with HDC bonds under this initiative after finalization of an MOU as described in the New York State Fiscal Year 2016–17 budget.
Available with HPD Allocated 9% LIHTCs?	Not at this time. However, HCR intends to offer resources under this initiative after finalization of an MOU as described in the New York State Fiscal Year 2016–17 budget.

Available as "Stand Alone" Resource for Projects without LIHTCs or Bonds?	No
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 30 year regulatory agreement.
Geographic Targeting	No more than 50% allocated to a single municipality. Awards will promote a statewide geographic distribution of this financing.
Environmental Review	SEQRA, which includes a "No Impact" determination from the State Historic Preservation Office, for HFA approval. Additional NEPA review and approval may be required.
Design Guidelines	For projects financed by HFA tax-exempt bonds, HFA architectural design and constructability review. For projects financed by tax-exempt bonds or 9% LIHTCs from a Housing Credit Agency other than HCR, HCR will generally accept HDC or HPD's design reviews where appropriate. 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
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 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	MIHP Supplemental Application Form
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