



## Mitchell-Lama Loan Program

**MITCHELL-LAMA LOAN PROGRAM (MLLP)** will build upon the original House NY Plan and bolster HCR's existing efforts to preserve the State's existing 74,000 units of Mitchell-Lama housing. This valuable resource provides affordable housing – both rental and homeownership – for thousands of New York State residents.

The Mitchell-Lama Loan Program will provide owners with financing incentives for capital repairs in order to preserve and extend the affordability for such properties. Properties with significant physical and/or financial needs in “high-need” or rapidly gentrifying areas will be prioritized. MLLP provides funds for the preservation and improvement of both rental and cooperative Mitchell-Lama properties located in New York State and supervised either by the City of New York or the State of New York.

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 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.

<b>FY 2016-17 Anticipated Amount Available</b>	Up to \$13,250,000. HCR expects to make available additional funding for this initiative after finalization of an MOU as described in the New York State Fiscal Year 2016–17 budget.
<b>Per Project Maximum Award</b>	N/A
<b>Per Residential Unit Maximum Award</b>	N/A
<b>Interest Rate and Loan Terms</b>	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.
<b>Construction and/or Permanent Financing</b>	Construction and permanent financing available.
<b>Eligible Uses</b>	Preservation and improvement of rental and cooperative Mitchell-Lama properties located in New York State and supervised either by the City of New York or the State of New York.
<b>Priorities</b>	Mitchell-Lama projects only.
<b>Scoring Criteria</b>	Developer Team Experience and Capability (20), Readiness (25), Financial Feasibility and Efficiency (20), Leverage (15), Regional Economic Development Council Plan (5), Overall Outcomes (15)

<b>Area Median Income Restrictions</b>	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.
<b>Available with HFA Bonds?</b>	Yes
<b>Available with Other Bond Issuers?</b>	No
<b>Available with HPD Allocated 9% LIHTCs?</b>	No
<b>Available as "Stand Alone" Resource for Projects without LIHTCs or Bonds?</b>	Yes
<b>Eligible Applicants</b>	Not-for-profit corporations or charitable organizations, or a wholly owned subsidiary of such corporations or organizations, or private for-profit developers.
<b>Regulatory Agreement Requirements</b>	Minimum 40 year regulatory agreement.
<b>Additional Eligibility Criteria</b>	Currently owned by an Article 2 corporation as a New York State or New York City supervised Mitchell-Lama property.
<b>Geographic Targeting</b>	None. MLLP funding is available for Mitchell-Lama properties located throughout New York State.
<b>Environmental Review</b>	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.
<b>Design Guidelines</b>	HFA architectural design and constructability review. HTFC Design Guidelines do not apply.
<b>Green Building Requirements</b>	Must meet HFA Green Requirements.
<b>Marketing Plan Requirements</b>	Fair Housing Affirmative Marketing Plan acceptable to HCR.
<b>NYS MWBE Requirements</b>	Yes
<b>Application Fee</b>	\$5,000

<b>Monitoring and Servicing Fees</b>	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.
<b>Deadline</b>	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.
<b>Additional Submission Requirements</b>	MLLP 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.
<b>Contact for Further Information</b>	Russell Hubley (212) 872-0436 <a href="mailto:russell.hubley@nyshcr.org">russell.hubley@nyshcr.org</a>