

Questions and Answers from the January 15th Webcast
RESTORE and Access to Home Questions from the Jan 15th Webcast
RESTORE

Q. a. Does the 60+ year old have to own the property or just live in it?

b. Does the homeowner have to be 60 years old or is it good enough if a household member is above 60?

c. Is “life use” of the home allowable under the RESTORE program? Many elderly have turned the home over to children but retain life use.

d. It was mentioned that a family member needs to be at least 60 years old, so if a parent is living with their children it makes it sound like they are eligible?

A. a-d. : The 60+ year old member of the household needs to be the homeowner, be a spouse or be co-listed on the deed or mortgage note. A written life lease or life estate agreement meets the homeowner requirement.

Q. Do we need to count just the income of the household or the income of all owners on the deed?

A. You must include both the household income and the income of persons listed on the deed.

Q. Does DHCR now accept life estates as owner-occupancy for all LPA programs or just for RESTORE?

A. Only for RESTORE. It is irrelevant for Access to Home; the U.S. Department of Housing and Urban Development (HUD) does not accept life lease arrangements as proof homeownership for purposes of the HOME LPA program.

Q. Do we need to secure RESTORE funds with a mortgage?

A. It is the LPA’s call on how to secure a RESTORE loan, most place a lien on the property that expires within three years.

Q. Is the deadline to complete the job 45 days instead of 30 days?

A. As explained in the 2010 RESTORE application instructions, once the referral or application for assistance is received by the LPA, the LPA must inspect the property within 72 hours, and have a contractor on the job within 7 days from the inspection date. The contractor must complete all work within 30 days. Total amount of time from referral/application to job completion can be up to 40 days. An LPA must provide an explanation if they exceed the time requirements.

Q. If we are an Access to Home grant recipient but have fully expended those funds, but have RESTORE funds available, can we use our RESTORE funds for accessibility improvements?

A. Yes, on the condition that the repairs address imminent safety or health hazards.

Access to Home

Q. Can you layer Access to Home with HOME purchase assistance program funds?

A. Yes, however Access to Home program funds must only be used to pay for incremental costs of making the rehabilitation measures accessibility and the measures meet the Transition and Diversion objective of the program.

Q. Does the Access to Home program follow the “whole building approach?”

A. Access to Home funds must only be used for accessibility modifications, so no, the program does not follow the whole building approach.

Q. What types of service agreements are required?

A. Service agreements are not required in the program but are scoring elements in the rating of applications. Service agreements must be written and clearly state and describe the responsibilities of each party. An agreement can be a contract or a memorandum of understanding signed by both parties.

Q. Will one referral agency per service area or borough (if in NYC) be adequate?

A. One referral agency can certainly be adequate, but if there are referrals coming from multiple agencies, why not list them?

Q. Is the LPA required to meet HUD’s housing quality standards (HQS) to invest Access to Home funds in a dwelling unit?

A. No, because Access to Home funds are to be used only on those areas of the dwelling unit that need to be modified for accessibility. If the LPA locates other funds to perform additional rehabilitation the work must meet the standards of that funding source.

Q. Is there a requirement for the owner of a rental unit to match or contribute funds and is there a specific regulatory or recapture requirement.

A. There is no requirement for rental property owner match, all that is required is owner permission to modify the unit. A regulatory period of up to five years is in effect for Access to Home. The length of this period is determined by the amount of funds put into the unit, not including LPA soft costs. See the Access to Home Frequently Asked Questions posted at www.nysdhcr.gov for more information on the regulatory period.

Q. If a renter moves from a unit that has received Access to Home assistance the owner is to make a reasonable effort to market the unit to persons with disability. The LPA must make this clear as a condition for making the modification improvements to the unit.

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HOME Webcast Questions Manufactured Home Replacement Initiative (MHRI)

Q. You mention site costs as eligible under the MHRI. Is work on well and septic systems that are deficient allowed?

A. The intent of the MRHI is allow for the replacement of the most dilapidated of MH's occupied by the lowest of income households. Site work related to water supply, water piping, electrical supply and septic systems is recognized as commensurate with the replacement of dilapidated homes. LPA's should be cognizant of the of \$50,000 HOME program per unit cap when undertaking replacements which require costly water and septic upgrades.

Q. Must the provider of the manufactured home belong to the NYSMHA?

A. We believe the question is regarding membership in the New York Housing Association, Inc. which represents the interests of those (retailers, manufacturers, installers, transporters and mechanics) in the manufactured home industry. The MHRI is not requiring membership in the Association as prerequisite for involvement in the Initiative.

Q. Is there a list of manufacturers (not the dealers) that are acceptable?

A. The NYS HTFC is not expressing a preference toward any brand or make of manufactured home under the Initiative. [Note: Titan Homes has the only remaining manufactured home production facility in New York. Titan Homes are carried by about 25 retailers in New York.]

Q. Notes and Mortgages will cost around \$560 for each HOME home. With AHC, because they are NYS funding, the filing fees are at no cost. Is there something like this possible with HOME or must we write this amount into the grant?

A. The cost for filing notes and mortgages varies by county, and there is no exemption we are aware of for this fee. It is an eligible soft cost.

Q. Will a grant receive more points if the homeowner takes a mortgage for say \$10,000 or if they only contribute \$2,000. I am reluctant to add a mortgage to this grant because these are folks who could not afford a mortgage on a house or they would be living in a house.

A. Although points would be awarded for leveraging mortgage funds, you have correctly pointed out that persons living in the most substandard conditions usually cannot qualify for a mortgage. We have structured the Manufactured Housing Replacement Program as an owner-occupied rehabilitation activity so that the lowest income residents can be served. The points awarded for mortgage funds would be negated by the points lost for targeting households with higher incomes that could qualify for a mortgage.

Q. Can we access successful HOME CHDO applications for review online?

A. Yes, you can access all the successful applications from the 2009, 2008 and 2007 Unified Funding rounds. Go to our website, www.nysdhcr.gov; click on the Funding tab; and scroll down to the section titled "Previous Funding Awards".

Q. The new caps that were mentioned ... are they only for the Performance Based Initiative LPAs?

A. No, all activities for the 2010 HOME LPA application: Rehabilitation – Owner Occupied; Rehabilitation – Rental; Homebuyer Assistance; and Tenant Based Rental Assistance have a cap of \$50,000 per project and \$750,000 per award. We caution you, however, to apply for the funding level that is appropriate for your service area and the capacity of your organization. Keep in mind, for example, that that Lead Based Paint Abatement is triggered at \$25,000, and assistance for rental housing and homebuyer programs carries a 15 year affordability period at the \$50,000 level.

Q. Although lead may not be present within a mobile home unit, it may be in the soil. Is it safe to say that Lead Testing is a requirement in the HOME Program's Mobile Home Initiative?

A. HUD does not **require** lead testing of soil for rehabilitation projects, but **recommends** it in neighborhoods where there are known soil hazards. If you **know** of the presence of lead contaminated soil, then you must comply with the requirements at 24 CFR 35.1330(f).

Q. We want to apply for HOME funds under the CHDO set-aside for new construction and rehab. May we submit one application that includes both activities or do we need to submit separate applications?

A. You may submit one CHDO application for both new construction and rehab.

Q. Would for-sale condo units that are built in a multifamily configuration be eligible for HOME CHDO funding?

A. Yes, certainly if they are new construction, or if they are existing structures that need rehabilitation prior to sale.

Q. For a HOME CHDO new construction application, the application format does not appear to ask for much information about things like site control, site design, building plan, etc. Should these things be attached as exhibits?

A. No, these things should be covered in your Administrative Plan. If you are planning a large project, perhaps you should consider applying under the Capital Funding RFP. The exhibits you ask about are required for capital projects, including those that request HOME funds. Please contact your local Regional Office for assistance in determining which application would best fit your needs.

Q. What constitutes a market analysis, and who can perform one?

A. A market analysis is not required for the LPA applications. If you are submitting an application for capital funding, you may find a list of pre-qualified analysts on our website, www.nysdhcr.gov by selecting the funding tab, and looking through the list of Unified Funding Materials.

Q: What if DHCR funds are insufficient to cover the cost of replacement units? How does an applicant apply for NYS AHC funding to supplement DHCR HOME funds under the MHRI?

A: In Unified Funding 2010, DHCR raised the HOME program per unit cap to \$50,000, and believes that this amount will be sufficient to cover the cost of most home replacements under the MHRI. In the event that this amount is insufficient, applicants are encouraged to apply for NYS AHC funding, using the AHC “New Construction Projects” application (or they may use an existing AHC new construction award). Applying under this program will enable applicants to utilize AHC funding to supplement HOME funding for either the purchase of the new manufactured home, or for necessary infrastructure work. AHC’s New Construction Projects application cannot be accessed using the joint DHCR and AHC application so therefore funding from each source must be applied for separately. The agency programs classify MHRI activity differently, so applicants will apply under the DHCR Homeowner Rehabilitation section of the DHCR application, and apply under the AHC New Construction Project application for AHC funding. If you have any questions, please contact your DHCR Regional Office Representative. We have attached the link to AHC’s New Construction application below for your convenience.

<http://www.nyhomes.org/index.aspx?page=57>