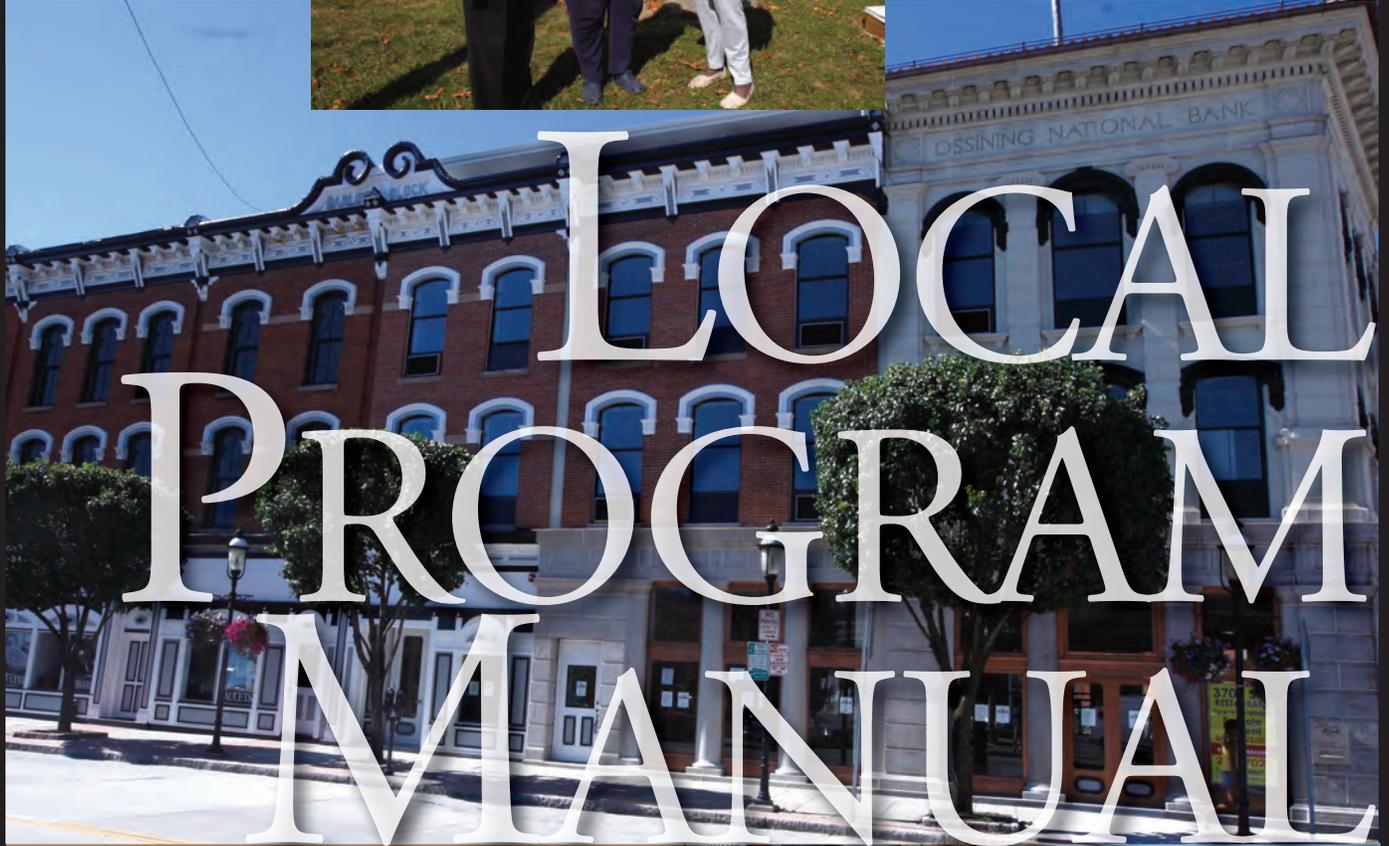


OFFICE OF COMMUNITY RENEWAL



# LOCAL PROGRAM MANUAL



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## PROGRAM DESCRIPTIONS

### Section: 1 The New York State HOME Program

#### 1.01 Summary

The New York State HOME Program (HOME) provides loans and grants to eligible applicants to undertake activities eligible under one or more of the three basic program types: Rental program, Homeownership Assistance program and Tenant-Based Rental Assistance (TBRA) program. Rental programs may involve the acquisition, new construction, substantial rehabilitation and/or moderate rehabilitation of units for low-income tenants. There are two types of Homeownership Assistance programs: Home Repair program, under which owner-occupied housing is rehabilitated, and Home Purchase Assistance program which involve direct assistance to low-income homebuyers, or the new construction or rehabilitation of housing for sale to low-income homebuyers. TBRA programs involve the payment of rental subsidies on behalf of eligible low-income tenants.

All HOME programs must benefit low-income households, defined as those with incomes at or below 80 percent of the area median. Rental projects which are assisted by the HOME Program are required to remain affordable to low-income households for the applicable regulatory period, the term of which is based on several factors, including the amount of the HOME subsidy and the type of activity funded.

The New York State HOME Program is administered by the New York State Housing Trust Fund Corporation (HTFC). However, HTFC's degree of involvement varies depending on the type of activity proposed. Local HOME Programs (formerly termed multi-site projects) may be undertaken only by non-profit organizations or municipalities who assume certain administrative duties on behalf of the State, and involve TBRA, Home Purchase Assistance, and Moderate Rehabilitation projects.

New York State is required to reserve a minimum of 15 percent of HOME funds for locally-based non-profit entities that qualify as Community Housing Development Organizations (CHDOs). All areas of the State are eligible for HOME programs; however, in addition to the 15 percent CHDO set-aside, at least 80 percent of the State's HOME allocation must be spent on projects that are not in localities designated by HUD as participating jurisdictions.

1. 02            Statutory Provisions

1.02.A           Purpose

The HOME Program was authorized by Title II of the National Affordable Housing Act (NAHA) of 1990, for the purposes of increasing the number of families served with affordable housing and to expand the supply of such housing. The Final Rule for the program was published by HUD on September 16, 1996, at 24 CFR Part 92.

1.02.B           Definitions

The following definitions apply to the New York State HOME Program:

1.    Awardee: An applicant which has been informed by HTFC of the decision to fund the proposed project and which has executed, or will execute, a written agreement with HTFC.
  
2.    Community Housing Development Organization (CHDO): A private, non-profit organization which:
  - (a)    has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons;
  
  - (b)    has demonstrated its capacity for carrying out activities assisted with HOME funds;

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- (c) has a history of serving the community within which the housing to be assisted with HOME funds is located;
- (d) is organized under State law;
- (e) has standards of financial accountability;
- (f) has a tax exemption under Section 501(c) of the Internal Revenue Code;
- (g) is not controlled by a private, for-profit entity whose primary purpose is the development or management of housing;
- (h) is not controlled by a private, for-profit entity that has the right to appoint one-third or more of the non-profit organization's governing board, or has control over appointment of the remaining two-thirds;
- (i) is not controlled by a public body that has the right to appoint one-third or more of the non-profit organization's governing board; and
- (j) maintains accountability to low-income community residents by:
  - (i) providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;
  - (ii) maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations; and
  - (iii) for organizations with a multi-county services area, has low-income residents from each county on the governing board.

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3. Developer: Any entity which organizes and supervises all phases of a project, including acquisition, construction, and final sale or rental. CHDO developer must, regardless of ownership, have the contractual authority to acquire, finance, rehabilitate or maintain/manage a project for the term of affordability.
4. Federal Home Regulations: 24 CFR part 92 of the Federal Register.
5. Local Home Program (multi-site project): A HOME Program undertaken by a sub-recipient or State recipient involving the moderate rehabilitation of rental properties or owner-occupied housing, rental assistance or home purchase assistance.
6. New Construction: Newly-built projects, rehabilitation projects that include new construction of one or more units outside the existing walls of the structure, or any project which will receive its first certificate of occupancy within one year of receiving HOME assistance.
7. Owner: An entity which owns, or which will own, a project at completion.
8. Participating Jurisdiction: A unit of general local government designated by HUD to receive HOME funds through a formula allocation.
9. Sponsor: An entity which assists another entity to own, by acquisition or otherwise, develop and manage a project. The sponsor may initially apply for and receive a loan commitment with the requirement that a designated entity will assume the grant/loan obligation and other responsibilities of the project at a specified time.
10. State Recipient: A county, city, town or village which has signed an agreement with HTFC to carry out a Local Home Program.
11. State HOME Program: The New York State HOME Program.

12. Sub-recipient: A not-for-profit corporation or housing authority that administers a coordinated set of eligible activities, pursuant to an agreement with HTFC to carry out a local HOME Program.

1. 03            Eligibility Requirements

This Section describes the eligibility requirements that are specific to the HOME Program. Sub- Sections 1.04 set forth in detail the specific requirements of the various types of HOME projects that may be undertaken.

1.03.A           Eligible Applicants

Eligible applicants for the New York State HOME Program include private for profit and non-profit organizations with a demonstrated capacity to develop feasible projects. Additionally, units of local government which are not participating jurisdictions, either directly or as part of a HOME consortium, are also eligible applicants, as are agencies under their control.

Local HOME Programs may be undertaken only by not-for-profit corporations and housing authorities (termed sub-recipients) and units of general local government, including counties, cities, towns and villages, (termed state recipients). Sub-recipients and state recipients generally serve an administrative function and do not typically act as the project developer or hold any ownership interest in an assisted property. They are required to conduct environmental reviews and periodically report on site activities. Section 1.03.C discusses Local HOME Programs.

Please refer to Section 1.03.B for a discussion of CHDOs and their special eligibility requirements. A minimum of 15 percent of New York State's HOME funds must be set aside for CHDOs.

1. 03.B      Eligibility Requirements for Community Housing Development Organizations (CHDOs)

New York State is required to reserve at least 15 percent of its HOME funds for housing that will be developed, sponsored or owned by CHDOs which are community based, non-profit organizations with experience in providing low-income housing assistance, and which are fully defined in Section 1.02.B. The HOME Program provides for some exceptions to its requirements and eligibility standards when an entity is a CHDO. These special circumstances are discussed below.

While CHDOs may undertake any of the activities eligible under the HOME Program, only those projects developed, owned, or sponsored by qualified CHDOs count towards the 15 percent CHDO set-aside requirement. The activities which do not count toward the set-aside are: TBRA, rehabilitation of owner-occupied property, direct home purchase assistance to low-income homebuyers not involving rehabilitation, moderate rehabilitation programs that benefit existing private owners, and CHDO operating costs. CHDOs are eligible to apply for HOME Program loans of up to \$5,000 a unit to establish site control and initial feasibility and to cover eligible pre-construction costs.

HOME Program regulations provide that up to five percent of the annual federal HOME allocation may be used for CHDO operating expenses; however, these funds may not be used to pay the operating expenses incurred by a CHDO while acting as a sub-recipient. CHDO's that do receive operating funds must enter into a written agreement with HCR stating that the CHDO is expected to be funded as a sub-recipient within 24 months of receiving the operating expense funds. In any given fiscal year, a CHDO may not receive HOME funds which exceed the greater of \$50,000 or 50 percent of the CHDO's total operating expenses for that fiscal year. This includes HOME operating expense funds as described above, as well as any other HOME funds for operating expenses, including organization support, housing education and administrative funds.

CHDOs are required to develop and follow a plan for tenant participation in management decisions and must adhere to a fair lease and grievance procedure for any housing developed with HOME Program funds.

CHDOs must meet the following re-certification requirements to remain an eligible HCR CHDO:

- (i) After a CHDOs initial certification, re-certification to maintain CHDO status must be conducted every 3 years. The re-certification information submitted by the entity should include similar documents, materials and requirements as the original certification, and should be submitted to the Office of Community Renewal for a full review;

If a CHDO applies to HCR/HTFC for funding in the years between re-certifications, it must include a letter from the CHDO president or chairperson stating that no organizational changes have been made since the date of the original certification or most recent re-certification. If organizational changes occur in a certified CHDO, the CHDO must submit an explanation of those changes to OCR and a determination will be made regarding the CHDO's continued eligibility as a CHDO.

- (ii) CHDO certifications, re-certifications and "no change" letters must include the name of each NYS county in which the applicant has or will have eligible CHDO status."

#### 1.03.C Eligible Projects

Local HOME Programs may be undertaken by non-profit organizations (sub-recipients) or municipalities (state recipients) only, and involve the moderate rehabilitation of rental or owner occupied properties, as well as TBRA and direct home purchase assistance to low-income

homebuyers. For projects undertaken under Local HOME Programs, the per unit development cost must be less than \$50,000, \$60,000 for CHDO projects.

Eligible applicants may apply for HOME Program funds to engage in more than one type of activity provided that all eligibility requirements for each activity are met.

Section 1.04 sets forth the specific general and eligibility requirements of the various project types which may be undertaken with HOME funds, including Rental programs, Homeownership Assistance programs and TBRA programs.

1.03.D      Eligible Areas

While all areas of the State are eligible for HOME Program funding, New York State requires that, in addition to the 15 percent CHDO set-aside, 80 percent of the State's HOME funds must be spent on projects located outside of HUD-designated Participating Jurisdictions (PJs). A list of current New York State PJs may be obtained from HTFC upon request.

1.03.E      Eligible Occupants

HOME Program funds may only be used to assist low-income households, defined as those with incomes at or below 80 percent of the area median. In addition, the federal HOME regulations require that HOME rental projects must primarily serve households with incomes at or below 60 percent of area median. All cooperative or condominium units assisted through the HOME program must be occupied as the owner's primary residence and units may not be sold or sub-leased to investors, or to staff or board members of the applicant, developer or sponsor organization.

1.03.F Eligible Project Costs

HOME Program funds may be used to pay for the eligible costs set forth below, subject to the per-unit costs limitations published for the HOME Program which are available from HTFC upon request. Federal HOME regulations also require a minimum per-unit investment of \$1,000, excluding any matching funds.

HOME Program funds will be made available as grants, no-interest loans, or interest-bearing loans, depending upon the economics of the project and the type of assistance requested.

Local HOME Program applications may not request HOME funds of more than \$50,000 per unit, \$60,000 for CHDO projects unless a waiver with supporting justification is included.

Eligible costs include:

A. Development Hard Costs:

- (i) for rehabilitation projects, costs to meet applicable rehabilitation standards, correct substandard conditions, and make essential improvements, including energy related repairs or improvements, improvements necessary to permit use by handicapped persons, the abatement of lead-based paint hazards and the elimination of other hazardous substances, and to repair or replace major housing systems in danger of failure;
- (ii) demolition costs;
- (iii) costs to make utility connections; and

- (iv) costs for site improvements that are in keeping with improvements of surrounding, standard projects, including on-site roads and sewer and water lines necessary to the project's development.
  - (v) Federal Labor Standards (Davis-Bacon Related Acts) which become applicable for projects with 12 or more units of HOME funding
- B. Acquisition Costs: the costs to acquiring or improved real property, which will provide rental units or will be transferred to an eligible low-income homebuyer.
- C. Related Soft Costs: other reasonable and necessary costs incurred by the owner related to the financing and/or development of new construction, rehabilitation or acquisition of HOME housing projects, including:
- (i) architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups;
  - (ii) settlement and financing costs, such as private lender origination fees, credit reports, fees for title evidence, recording and filing fees, building permits, attorney fees, private appraisal fees, independent cost estimate fees, and builder/developer fees;
  - (iii) the cost of a project audit when required by HTFC;
  - (iv) costs for providing information services, such as affirmative marketing and fair housing information to prospective homeowners/tenants, as required by the Federal HOME Regulations;
  - (v) staff and overhead costs which are directly related to implementing the project, such as preparing work specifications and loan processing

inspections, or which are provided to assist potential tenants and homebuyers, such as housing counseling, only if the project is funded and the individual assisted becomes the owner or tenant and

- (vi) costs for testing and risk assessment for lead hazard control and other health and safety testing and assessment costs, and costs for conducting an energy audit.

D. Relocation Costs: Costs resulting from the displacement of persons by a HOME project, including:

- (i) relocation housing payments, payments for moving expenses, and payments for reasonable out-of-pocket costs incurred in temporarily relocating people; and
- (ii) staff and overhead costs directly related to the provision of advisory and other relocation services to persons displaced by the project, including timely written notices to occupants, referrals to comparable and suitable replacement property, property inspections, counseling and other assistance necessary to minimize hardship.

F. Tenant-Based Rental Assistance (TBRA) Costs: Eligible costs related to TBRA, including rental assistance and security deposit payments.

G. Local HOME Program Administrative Costs: Such costs may not exceed eight percent (8%) the HOME award amount (applies to LPAs only).

HOME Program funds may not be used to provide a replacement reserve account or an operating reserve account; nor may HOME Program funds be used to provide project-based rental assistance.

1.03.G Eligible Activities

There are a number of activities which are eligible for funding under the HOME Program. These include: new construction and substantial rehabilitation of rental housing and/or housing for purchase by low-income homebuyers, rehabilitation of owner-occupied housing, moderate rehabilitation, rehabilitation of rental properties, home purchase assistance to low-income homebuyers, and TBRA.

HOME Program funds may not be used for the following activities:

- (i) to provide a project reserve account for replacements, a project reserve account for unanticipated increases in operating costs, or operating subsidies;
- (ii) to provide TBRA for the special purposes of the existing Section 8 Program, or to prevent displacement from projects assisted with Rental Rehabilitation funds (Part 511);
- (iii) to provide non-federal matching contributions required under any other federal program;
- (iv) to provide assistance authorized under federal regulations - Part 965, Public Housing Authority-Owned or Leased Projects - Maintenance and Operation;
- (v) to provide assistance for activities authorized under the Public Housing Modernization and the Comprehensive Improvement Assistance Programs, Part 968 of the Federal Regulations;
- (vi) to provide assistance to housing which is eligible for prepayment of mortgages by owners of low-income housing under the Low Income Housing Preservation and Resident Homeownership Act of 1990;

- (vii) to provide assistance to a project previously assisted with HOME funds during the period of affordability established by the PJ (except that housing previously assisted with HOME funds may receive further HOME assistance in the form of TBRA or Purchase Assistance to low-income homebuyers; additionally, a project may receive additional HOME funds up to one year after completion so long as the per-unit HOME subsidy for the project has not been exceeded); and
- (viii) to pay for the acquisition of property owned by the PJ, except for property acquired with HOME funds or acquired with the intention of carrying out a HOME project.

#### 1.04 Rental Project Requirements

This Section describes the eligibility and other general requirements that are specific to HOME Program projects involving rental housing units.

Although a HOME Program application may request funding to engage in a variety of eligible activities, there are requirements which are specific to each of three basic program types: Rental projects, Homeownership Assistance programs and TBRA programs, each of which is discussed below. Combination projects, such as those with both rental and owner-occupied units, must comply with the requirements for all project types as set forth below.

##### 1.04. A General Requirements for Rental Projects

Applicants may use HOME Program funds to assist rental housing in local programs. Local programs that assist rental projects may provide up to \$50,000 in HOME funds per unit to rehabilitate rental units. Both rental and home ownership units may be assisted in the same project or program, provided that requirements for each activity are met.

Applicants for HOME funds are responsible for ensuring compliance with all rental project requirements set forth herein for the duration of the period of affordability: they retain ownership of completed projects, transfer ownership to another entity which agrees to meet the HOME Program's long-term affordability and monitoring requirements, or provide rehabilitation assistance to private owners of rental housing who agree to meet with the HOME Program affordability requirements. Further requirements are detailed in Section 1.04.D.

All housing assisted with HOME funds must, at a minimum, meet Federal Housing Quality Standards (HQS) and HTFC Rehabilitation Standards, for One- to Four-Unit Structures, which can be found on our website. Newly constructed or substantially rehabilitated HOME CHDO projects must meet all applicable local codes, rehabilitation standards, and zoning ordinances. Local programs providing rehabilitation assistance for rental housing must comply with HUD Regulations at 24 CFR Part 35 for Lead Based Paint Hazard Reduction.

1.04.B      Eligible Rental Properties

Eligible HOME Program rental properties include the following:

- (i) residential buildings that are in need of rehabilitation in order to meet the rehabilitation standards set forth in HFTC Rehabilitation Standards for One- to Four-Unit Structures;
- (ii) residential properties acquired to provide rental housing for eligible occupants;
- (iii) commercial properties that can be converted into residential rental housing for eligible occupants; and
- (iv) mixed-income and mixed-use properties are eligible, provided that all units receiving HOME Program funds meet all rental project requirements set forth herein.

When proposing to assist an occupied building with HOME Program funds, applicants must comply with all HOME Program requirements regarding relocation, displacement and acquisition, which are set forth in HUD Handbook 1378. Notices to tenants in occupied buildings to be assisted with HOME funds (required by 49 CFR 24.101) and to owners of such buildings (required by 49 CFR 24.101) must be submitted prior to the issuance of the HTFC funding.

1.04.C        Eligible Tenants/Rents

HOME-assisted rental units must be primarily occupied by low-income households (those with incomes at or below 60 percent of area median income, or AMI). Multi-family CHDO projects (projects with five or more units) must reserve 20 percent of the units in the project for occupancy by very low-income families (those with incomes at or below 50 percent of AMI).

HTFC may grant waivers to permit owners to assist units occupied by households with incomes between 60 and 80 percent of AMI. Such waivers may not be granted for more than 10 percent of the total number of rental units assisted with funds made available.

No tenant may be excluded from leasing a HOME rental project because they hold a certificate, voucher or comparable document from any rental assistance program.

Rents for HOME-assisted units may not exceed the rent published by HUD for the applicable unit size, adjusted for any applicable utility allowance (known as the "High HOME Rent"). Additionally, for projects with five or more units, at least 20 percent of the project's units must either be occupied by very low-income households paying 30 percent or less of their monthly adjusted gross income for rent, or must bear rents which are not greater than 30 percent of the gross income of households with incomes equal to 50 percent of AMI (known as the "Low HOME Rent").

If a unit receives federal or state project-based rental subsidy and the very low-income family pays no more than 30% of the family's adjusted income as a contribution toward rent, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the federal or state project-based rental subsidy program. Low HOME Rents for units receiving project based rental subsidies may be set at the maximum allowable under the Federal or State project-based rental subsidy program. HTFC will make copies of High and Low HOME Program rents available to applicants and owners.

Tenants whose incomes increase to more than 80 percent of AMI may continue to occupy their HOME-assisted unit provided they pay 30 percent of their adjusted monthly income for rent.

1.04.D Regulatory Periods for Rental Projects

HOME-assisted Rental projects must remain affordable for the applicable minimum term listed below, based on the project's average per-unit subsidy from the HOME Program.

Rehabilitation/acquisition less than \$15,000:	5 years
Rehabilitation/acquisition between \$15,000 -\$40,000:	10 years
Rehabilitation/acquisition over 40,000:	15 years
New Construction of any amount:	20 years

For HOME-assisted projects with multiple funding sources, the regulatory period will be the longest required by any of the sources.

Rental projects assisted with HOME funds, including assisted rental units in two-four unit owner-occupied buildings where the owner is provided with HOME funds for purchase assistance, must remain affordable for a period of between five and 20 years, and must meet all applicable requirements of 24 CFR 92.252 and 253. These sections require recipients to secure

assistance provided to rental housing by means of a deed restriction or other similar mechanism that runs with the land.

1.04.E      Regulatory Restrictions of HOME LPA Rental Rehabilitation Projects

While the affordability restrictions terminate in the event of foreclosure or transfer of deed in lieu of foreclosure, the State - and by contractual agreement, any recipient that receives funds for this purpose - is responsible for recovering all HOME funds invested into the project. For projects containing four or fewer units, where the owner receives assistance to purchase the building, the resale/recapture requirements of 24 CFR 92.254 applies. For CHDO rental projects receiving HOME funds, deed restrictions or covenants running with the land must be used to preserve affordability.

To ensure that recipients have an opportunity to preserve affordability in the event of foreclosure or transfer in lieu of foreclosure, HTFC will provide recipients with sample first mortgagee waiver agreements that they can use to negotiate with the owners' primary lenders to secure their approval of these agreements. Recipients are also encouraged to negotiate purchase options, rights of first refusal, or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure.

Recipients should regularly review the management and financial condition of projects so that they can intervene before projects reach the point of default and foreclosure. In the event that a project is found to be encountering financial difficulties, or if a recipient is notified that foreclosure proceedings have been initiated against an assisted rental project, the recipient must notify their HCR immediately, and must work with the project owner and the primary lenders to maintain the project as affordable housing for the remaining affordability period, or repay the full amount of HOME funds invested in the project to HTFC. Re-subordination of HOME financing to permit refinancing of the primary mortgage is generally not permitted in assisted rental projects.

1.04.F      CHDO Rental Projects

In order for a HOME rental project to be considered a CHDO project, the project ownership structure must comply with the terms of 24 CFR 92.300 (a) (1). This section states that funds may be provided to a CHDO, its subsidiary or a partnership of which the CHDO or its subsidiary is the managing general partner. If a CHDO owns the project in partnership, it or its wholly owned for-profit or non-profit subsidiary must be the managing general partner. In acting in any of the capacities specified, the community housing development organization must have effective project control. A CHDO applicant must state in its application and document in the project owner's organizational documents that the CHDO has effective project control.

1.05      HOME LPA Roles/Responsibilities

- (i) providing adequate staff to carry out the program;
- (ii) program marketing, including compliance with all State and Federal equal opportunity, fair housing, and affirmative marketing requirements;
- (iii) conducting eligibility determinations and ensuring that all income targeting requirements are met;
- (iv) ensuring that HOME funds are only expended for eligible activities consistent with State and Federal requirements, with respect to property requirements, rehabilitation standards, appraised value, subsidy limits, and qualification as affordable housing;
- (v) for home buyer assistance, loan underwriting, loan processing, home ownership counseling, and other activities necessary to reduce the risk of default, consistent with the LPA's Administrative Plan, and enforcing HOME resale requirements for assisted properties (see 24 CFR 92.254 (a) (4));

- (vi) for tenant-based rental assistance, determining the amount of subsidy provided on behalf of each assisted household, determining tenant contributions, conducting Housing Quality Standards inspections and rent reasonableness determinations, and taking actions to minimize adverse impacts on tenants as a result of the expiration of the rental assistance subsidy;
  
- (vii) conducting, or assisting HTFC in conducting, environmental reviews, determinations, and action for each activity that it carries out with HOME funds, in accordance with 24 CFR part 58, and submission of Requests for Release of Funds or other documentation, as required, to HTFC for approval. Environmental Review Procedures for Local Program Administrator (LPA) Programs is available on the HCR website.
  
- (viii) following an anti-displacement plan to minimize displacement, and compliance with Federal displacement, relocation, and acquisition, requirements concerning temporary relocation, relocation assistance, identification of displace persons, real property notification of non-displacement for existing tenants, and proper notification to sellers when acquiring properties with HOME funds (see 24 CFR 92.353 and 49 CFR part 24);
  
- (ix) financial management of all HOME funds, establishing a local HOME Investment Trust Fund account, if applicable, disbursing funds to owners or contractors, coordinating payment of HOME Program funds with funds from other sources, tracking and reporting on repayments and other program income, and data entry and maintenance of the recipient's account in HUD's Integrated Disbursement Information System;
  
- (x) compliance with requirements for encouraging minority/women-owned business (M/WBE) utilization, and submission of reports on M/WBE outreach and

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utilization, and equal opportunity, fair housing, and M/WBE participation in the local community;

- (xi) post-occupancy monitoring to ensure regulatory compliance for assisted units, including annual HQS and income verifications, if applicable;
- (xii) compliance with all uniform administrative requirements, as described in 24 CFR 92.505;
- (xiii) adherence to the conflict of interest requirements of 92.356, 24 CFR 85.36, and 24 CFR 85.42, as applicable;
- (xiv) record-keeping and reporting, including submission of an Annual Performance Report.

## PROGRAM DESCRIPTIONS

### **Section: 2            RESTORE Program (Residential Emergency Services to Offer (Home) Repairs to the Elderly)**

#### 2.01            Summary

The Residential Emergency Services to Offer (Home) Repairs to the Elderly (RESTORE) Program provides emergency home repairs for elderly homeowners.

The RESTORE Program provides grants to Local Program Administrators who administer home repair programs in the target area(s) which they designate. Applicants are selected through an annual competitive funding round which is described in section 3.

#### 2.02            Statutory Authority

RESTORE was initiated in fiscal year 1987-1988 within New York State Housing and Community Renewal's Aid to Localities budget. The program is now administered by the Housing Trust Fund Corporation.

#### 2.03            Eligibility Requirements

The following program specific terms are defined by the enacting legislation and the HTFC's program Rules and Regulations.

#### 2.03.A.        Eligible Applicants

The following may apply for designation as a Local Program Administrator: municipalities (City, Village, Town, County) and not-for-profit corporations.

2.03.B. Eligible Project Recipients

- New York State homeowners;
- At least one of the homeowners must be age 60 or over;
- The home must be the primary residence of the older (60+) homeowner;
- The household income must fall within 80 percent of the area's median family income; and,
- Existing situation must be deemed an emergency, that is, it must pose a threat to the life, health, or safety of the older residents.

2.03.C Eligible Areas

All areas of state are eligible.

2.03.D Eligible Project

Any repair to a building containing 1-4 dwelling units that poses a threat to the life, health or safety of low-income elderly homeowners. Typical repairs include: furnace, roof, electrical, and water problems. Maximum lifetime assistance is limited to \$7,500 per building.

2.03.E Performance Requirements

Local Program Administrators should comply, to the extent feasible, with the following time constraints: - within 72 hours of application intake, make an assessment of the emergency home repair needs, - within seven days of application intake, begin the repair work, and - within 30 days of application intake, complete the required repairs.

2.03.F      RESTORE Recapture of Funds

The Recipient shall require the Homeowner to execute an agreement where the Homeowner agrees that all funds provided pursuant to the Program shall become immediately due and payable to the Recipient if the Project Property is sold or transferred within three (3) years of the date of completion of the repair to anyone other than an elderly low-income person.

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**Section:      3      Access to Home Program**

3.01      Summary

The New York State Access to Home program provides funds to make the homes and apartments of low and moderate income New Yorkers who have disabilities and/or are frail elderly, more accessible. Home adaptations and alterations are made to enable persons with disabilities to remain in or return to their own homes, rather than enter or stay in more costly and restrictive institutional settings.

The Access to Home program is authorized by Article 25 of the Private Housing Finance law, for the purpose of providing financial and technical resources that assist renters and property owners in making dwelling units accessible for low and moderate income persons with disabilities.

3.02 Eligible Applicants

An eligible applicant is a city, town, or village, or a not-for-profit corporation which has been in existence for a period of one or more years prior to application, and which is, or will be at the time of award, incorporated under the not-for-profit corporation law and has substantial experience in adapting or retrofitting homes for persons with disabilities.

Administration of each Access to Home Program will be governed by the Administrative Plan that is agreed to by the local program administrator, or “LPA” (an eligible applicant that administers funds to provide either loans or grants to homeowners and renters, and who oversees the adaptation or retrofitting of eligible properties) and the HTFC. The Administrative Plan will be incorporated as an exhibit in the grant agreement between the applicant and the HTFC. Prior to issuance of an agreement, successful applicants may be asked to revise the plan to address issues not discussed in the application or to modify sections that are inconsistent with Federal or State regulations.

3.02A Access to Home LPA Roles and Responsibilities

- i. Provision of adequate staff to carry out the program;
- ii. Implementation of all required policies and procedures;
- iii. Maintaining a documented record of training that staff working on the program has received. Documentation must include the title of the training, the date and time the training occurred, a description of topics covered in the training, and the names and signatures of all attendees;
- iv. Program marketing, including compliance with all State and Federal equal opportunity, fair-housing and affirmative marketing requirements;
- v. Conducting eligibility determinations and ensuring that all income targeting requirements are met;

- vi. Ensuring that Access to Home funds are only expended for eligible activities consistent with State and Federal requirements with respect to property requirements, rehabilitation standards and qualification as affordable housing;
- vii. Following an anti-displacement plan;
- viii. Financial management of all program funds, disbursing funds to contractors, coordinating payment of program funds with funds from other sources, and tracking and reporting on repayments and program income;
- ix. Compliance with requirements for encouraging minority/women-owned business (M/WBE) utilization and submission of reports on M/WBE outreach and utilization, and equal opportunity, fair housing, and M/WBE participation in the local community;
- x. Post-occupancy monitoring to ensure regulatory compliance for assisted units;
- xi. Conducting, or assisting HTFC in conducting, environmental reviews for each activity that it carries out with Access to Home funds and submission of requests for payment or other documentation, as required, to HTFC for approval.
- xii. Record-keeping and reporting on program activities.

3.03      Eligible Projects

An eligible property is a housing unit that is the primary residence of a person with a physical disability and a total household income that does not exceed eighty percent of median income, or a disabled veteran who has a total household income that does not exceed one hundred twenty percent of area median income. A property that is otherwise obligated by federal, state or local law to be provided with accessibility improvements shall not be considered an eligible property. Publicly assisted buildings will only be provided assistance when it can be determined that no other resources are available for this purpose.

Both rental and owner-occupied housing may be improved with program funds. Owner-occupied housing includes single-family housing where the owner holds fee-simple title and occupies the unit as his or her primary residence. Life estates and life tenancies, where the

property is occupied by an eligible household pursuant to a lease or other agreement that gives the household the right to occupy the property for a minimum of five years are also acceptable forms of ownership for the Access to Home Program. Condominiums and cooperatives are also eligible. Cooperatively-owned units are eligible if the occupant meets income and disability requirements for eligibility, provided that any required approvals are obtained from the governing Co-op board. If an LPA applicant has a significant number of cooperatively-owned buildings in its target service area, procedures to provide service to this type of unit should be addressed in the administrative plan.

The LPA must ensure that Access to Home funds is not used where owners have the responsibility to provide such improvements from other sources of funds. The assisted unit must be made available to low income persons and be affirmatively marketed to persons with disabilities for a period of five years.

Projects cannot use program funds to subsidize services that are available from other programs or service providers. In some situations funds may be used to provide environmental modifications to supportive service units. Technical assistance from HCR should be sought before an application that targets such housing is submitted.

An LPA may only allocate funds to improve a property that it owns if:

- i. The work is consistent with the LPA's administrative plan; and
- ii. The work is necessary to meet the goals of the program; and
- iii. There is a public disclosure to the community that the LPA is proposing to assist a property that it owns; and,
- iv. There is prior approval by HCR.

3.04 Eligible Areas

Projects can be located anywhere in New York State. Each LPA must designate a defined service area in which the projects the sponsor will be located. The service area may consist of a neighborhood, a municipality, an entire county or part or all of two adjacent counties.

3.05 Eligible Occupants/Beneficiaries

Homeowners and rental property owners qualify for Access to Home assistance through the LPA under the following criteria:

- i. The household includes an occupant that is physically disabled or has substantial difficulty with an activity of daily living due to aging.
- ii. The dwelling unit is the occupant's primary residence or will be the occupant's primary residence after modifications are completed.
- iii. Total household income does not exceed 80 percent of area median income, adjusted for household size. If the occupied unit includes a disabled veteran the household income cannot exceed 120% of area median income, adjusted for household size. "Disabled veteran" means a veteran who is certified by the United States department of veterans affairs or the department of defense as entitled to receive disability payments upon the certification of such department for a disability incurred by him or her in time of war.

3.06 Eligible Costs

Eligible Costs include, but are not limited to the following:

- i. Lead testing (from Administrative funds or other sources).

- ii. Health and Safety measures in the immediate work area where modifications are being installed.
- iii. Construction costs directly related to the accessibility modifications.
- iv. Short-term relocation
- v. Staff costs relating to project delivery:
  - a. Staff time directly related to qualifying individuals or households for assistance;
  - b. Site visits to determine the extent and the type of accessibility modifications necessary;
  - c. Writing specifications, obtaining evaluating and awarding contractor bids;
  - d. Interim and final inspections of the work;
  - e. Health and safety tests such as that for lead clearance; and
  - f. Engineering costs directly related the project.
  - g. Necessary and appropriate architectural services.
- vi. Administration (not to exceed 7.5% of total grant amount).

Health and safety measures are an eligible expense only in the immediate work area where the modifications are being installed. The LPA should locate other sources of funds to provide energy conservation and/or to mitigate health and safety hazards unrelated to the accessibility modifications to be made.

Funds may only be requested for costs that have been incurred and must be accompanied by supporting documentation as described in instructions for requesting payment from HTFC that are provided to each applicant. Only work performed after the date of the execution of the grant agreement will be reimbursed. Advances of funds are not permitted.

Any work performed for a unit that falls out of the program area or does not proceed for some reason is not eligible for reimbursement as a project deliverable, but must be taken from the 7.5% administrative allowance.

3.06A Eligible Work Items

It is the responsibility of the LPA to create/adopt a procedure for deciding which modifications are appropriate to enable a person with disabilities to remain at or return to the home, based on commonly accepted practices of the agency or funding program that has primary responsibility for providing services for the type of disability involved.

The LPA is required to create/adopt a procedure to follow for prioritizing modifications within each unit in the application. The LPA must establish priorities that ensure only work needed to meet the accessibility goals is performed and that assistance is provided to as many eligible persons possible.

Eligible home modification measures that allow individuals to stay in or return to their homes include but are not limited to:

- i. Wheelchair ramps, lifts, and stair glides;
- ii. Handrails;
- iii. Expanded doorways, 36” wide doorways with off-set hinges.
- iv. Roll-in showers with grab bars, bathtub grab bars and seats, hand-held shower;
- v. Non-skid flooring;
- vi. Appliances that respond to verbal commands
- vii. Easy-to-reach work and storage areas and other kitchen modifications
- viii. Outlets at 18” instead of 12”; light switches at 42” instead of 48” from the floor;
- ix. Electrical installation of special thermostatic or environmental controls, luminous light switches;
- x. Strobe light or vibrator-assisted smoke and burglar alarms;
- xi. Re-locating a bathroom or bedroom on a first floor;
- xii. Low-cost measures such as traction tape on stairways, levered door handles or additional outside lighting.

New construction is not permitted with Access to Home funds; however, small additions added to an existing structure that are required to permit the installation of accessibility modifications and to enable the customer to remain in or return to the unit may be allowed in certain situations.

**\* All adaptations should meet the individualized needs of the disabled occupant(s) of the unit that requires modifications.**

3.06B Relocation

Access to Home funds may be used to reimburse occupants for short-term relocation, to permit work to be completed on the unit without posing a safety risk to occupants or workers. Relocation must be directly related to the Access to Home work being completed.

3.07 Performance Requirements

LPA's must adhere to the following performance requirements:

- i. The LPA must make a proactive effort to encourage participation by certified women-owned and minority-owned businesses.
- ii. The LPA is required to obtain two bids for each separate project in order to establish the reasonableness of modification costs.
- iii. All work must meet all applicable codes, regulations and standards.
- iv. Universal Design principles must be followed in the installation of accessibility modifications.
- v. If other work unrelated to the accessibility modifications is needed, other funds must be used to provide the repairs before Access to Home funds are spent on the unit. All requirements associated with the other funding source must be met.

- vi. All contract activities must be completed in accordance with the contract production schedule.

3.08 Outreach and Marketing

- i. The LPA is required to develop a procedure for the outreach to and selection of contractors including outreach to M/WBE's.
- ii. The LPA is required to develop a procedure for the outreach and marketing of the Access to Home program to their coverage area, including affirmative marketing strategies. The developed procedures must result in the fair and equitable distribution of assistance.
- iii. The LPA is required to develop a procedure for their customer list prioritization. The developed procedures must result in the fair and equitable distribution of assistance.

3.09 Regulatory Period

Any property receiving Access to Home assistance must be reserved for occupancy by households with incomes at or below 80% of the area median income (or 120% of AMI if the household includes a disabled veteran) for a period of five years; rental units that become vacant during that period must be affirmatively marketed to low income persons with disabilities.

3.10 Recordkeeping, Reporting and Monitoring

The LPA is responsible for maintaining complete project files including participant applications, eligibility documentation, work specifications, bid documents, contracts, contractors' invoices, inspection reports and any applicable documentation on historic preservation reviews, lead-based paint, and environmental conditions and clearances. Project files will be examined by HCR personnel on regularly scheduled site visits. Files are also subject to examination at any time by representatives of HTFC or HCR.

Each project file must include the following:

- The building address at which the work is done;
- The date(s) when the work was started, a record of the days that work was conducted on the project, and the date completed.;
- Original estimates of the work to be performed;
- Invoices from contractors;
- Date(s) of LPA and/or architect site inspections;
- Signed agreement with property owner (deferred loan terms and conditional repayment agreement);
- Pre- and post-photographs of the modifications;
- Signed agreement to release photographs;
- Copy of customer sign-off of completed work;
- Copy of lead clearance inspections if applicable;
- HTFC Environmental clearance document(s).