

NOTICE OF CREDIT AVAILABILITY (NOCA)

FEDERAL TAX CREDIT

New York State Homes and Community Renewal

New York State Division of Housing and Community Renewal

Hampton Plaza

38-40 State Street

Albany, NY 12207

PERSONS/FIRMS SPONSORING THE CONSTRUCTION AND/OR REHABILITATION OF
RENTAL HOUSING FOR LOW- AND MODERATE-INCOME PERSONS/ HOUSEHOLDS

DESCRIPTION:

New York State Homes and Community Renewal (HCR) announces the availability of tax credit under the Low-Income Housing Credit Program (LIHC), administered by the New York State Division of Housing and Community Renewal (DHCR), which is authorized under Section 42 of the Internal Revenue Code.

A Request for Proposals (RFP) for Unified Funding (UF) 2015 site-specific multi-family project applications (Capital Applications) seeking funding under the LIHC Program is expected to be available on August 14, 2015.

These applications will be submitted using the Community Development Online (CDOL)

Application System, located on HCR's website at: <http://www.nyshcr.org/Apps/CDOnline/>.

Printable instructions and screen shots of the CDOL Exhibits for the UF 2015 CDOL application will be available on the HCR Website at:

<http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2015/>.

APPLICATION DEADLINES & FEES:

There are two UF 2015 application deadlines. The first deadline will be for Early Award Projects (EA), which meet criteria that will be set forth in the RFP and described, in part, below. The second deadline will be for all other capital applications described in the upcoming RFP.

Applications for EA Projects must be completed and submitted by 5:00 PM on Tuesday, October 6, 2015. All other UF 2015 Capital Applications must be completed and submitted by 5:00 PM on Thursday, December 3, 2015.

A \$3,000 application fee is required for each LIHC Capital Application with the following exception: not-for-profit applicants (or their wholly-owned subsidiaries) which will be sole general partner of the partnership/project owner or sole managing member of the limited liability company/project owner may request a deferral of payment until the time of credit allocation.

UF 2015 LIHC AVAILABLE:

DHCR expects to have approximately \$25,000,000 available for LIHC reservations.

EARLY AWARD APPLICATIONS:

A. General Information

HCR seeks to encourage high quality, high readiness projects that advance specific New York State housing goals by providing an accelerated application and review process as part of UF 2015. In addition to meeting the general application requirements described in the upcoming RFP, EA applications must satisfy additional conditions and requirements not required of UF 2015 applications generally, including an earlier application submission deadline and a mandatory pre-application conference with HCR staff.

Applications satisfying the conditions and requirements for Early Awards will be provided an accelerated review and will be rated and ranked compared only to other EA applications that advance the same policy goal, subject to the other funding considerations described in the UF 2015 RFP. In the event an application does not receive an early funding award, the application may be considered for an award pursuant to later funding round decisions.

In addition to satisfying the conditions and requirements generally applicable to all UF 2015 applications, EA applicants must also:

1. Submit a complete application by 5:00 PM, October 6, 2015;
2. Demonstrate the project will be able to proceed to construction within 120 calendar days of award, or within 150 days of award, if located in the City of New York. In evaluating a project's readiness to proceed to construction, HCR will consider the development team's past

performance in the delivery of units on time and on-budget in addition to project-specific indicators such as status of local approvals, complexity of the proposed transaction, including whether a project must comply with National Environmental Policy Act (NEPA) requirements, and status of financing commitments; and,

3. Provide documentation demonstrating the application proposes a project which clearly advances at least one State housing goal described below in Section B. Applications that advance more than one housing goal will be given preference.

B. Early Award State Housing Goals

In order to be eligible, EA applications must advance at least one of the following State housing goals:

1. Revitalization and Economic Development Goals

a. Priority Projects Identified in Regional Economic Development Plans

These applications will propose affordable housing projects that have been specifically endorsed in Regional Economic Development Council Strategic Plans and for which significant financial assistance has been made available as part of such plans.

b. Disaster Relief Projects

These applications will propose projects in communities directly impacted by FEMA-declared disasters, including, but not limited to, Superstorm Sandy, Hurricane Irene, Tropical Storm Lee,

and the Summer 2013 Severe Storms and Flooding. Applicants must demonstrate there was significant loss of housing within a one-mile radius of the proposed project and the proposed project is consistent with a comprehensive community rebuilding plan. Applicants must provide a letter of support for the specific project from the chief elected official of the municipality in which the project is located, and a copy of the comprehensive community rebuilding plan. Applications will need to demonstrate readiness to complete construction/rent-up by the summer of 2016. Based on a review of financing needs of the proposed disaster relief projects, including whether the applicant has proposed specific actions to reduce overall project costs, HCR will consider requests for LIHC basis boosts pursuant to authority provided by the Housing and Economic Recovery Act of 2008 (HERA).

c. Mixed-Income/Mixed-Use Revitalization

These applications will propose mixed-income projects in mixed-use neighborhoods

involving:

- the use or adaptive reuse of existing underutilized buildings;
- infill new construction; and/or
- the demolition/replacement of buildings with a blighting impact on a community, for which rehabilitation is impracticable.

Applications must clearly demonstrate the project is part of a neighborhood-specific

revitalization effort developed with significant community and local

government involvement. Applications must clearly demonstrate community support for the proposed project, as evidenced by commitment of local resources and local actions that have, or will, be taken in support of the project. To be considered mixed-income, applications must target households at incomes above federal LIHC limits.

Preference under this State housing goal will be given to applications that:

- demonstrate site control of land acquired through Land Banks established pursuant to Article 16 of the NYS Not-for-Profit Corporation Law in neighborhoods that have experienced a high incidence of abandoned, “zombie” properties;
- propose a retail/community service component that will address an unmet community need identified in a neighborhood-specific revitalization plan;
- propose a project resulting in the cleanup/redevelopment of property that has been determined to be eligible to participate in the NYS Brownfield Cleanup Program (BCP). To be eligible for this preference, applications must propose a financing plan fully utilizing all BCP tax credits generated from the cleanup/redevelopment of the property;
- propose a project that is part of a neighborhood specific revitalization plan that also includes the development of new affordable homeownership units and/or the rehabilitation of existing owner-occupied housing; and/or,
- propose a project located in a community participating in Governor Cuomo’s Community, Opportunity, Reinvestment (CORe) Initiative, which aligns State support with local needs while supporting successful community-based efforts, so the State can more effectively allocate resources to make measurable and sustained progress in improving high-need communities.

2. Supportive Housing Goals

a. Supportive Housing Projects Serving Veterans with Special Needs

These applications will propose Supportive Housing Projects, as defined in Section 2040.2(u) of HCR's 9% LIHC QAP, for Veterans with Special Needs. Applications must demonstrate a coordinated government investment in the project by clearly documenting firm commitments of service, operating, and development financing from State, local, and/or federal government partners. Among other considerations outlined in the UF 2015 RFP, projects will be evaluated on the extent to which funding commitments contribute to meeting the financial needs of the proposed project.

b. New York/New York Projects

Applicants must demonstrate they have secured a commitment of NY/NY III or NY/NY IV service and operating subsidy for at least 25% of the project's total units. Preference under this goal will be for applications that have secured commitments for a significant percentage of the project's development financing from non-HCR sources.

3. Workforce Opportunity Goals

a. Housing Opportunity Projects

These applications will propose workforce family housing in areas experiencing economic growth that are served by high performing school districts. Projects must be located in areas that have stable/growing tax bases, and must be in close proximity to public transportation, child care and employment opportunities. Proposed projects must include a significant percentage of two, three or more bedroom units. Applications that clearly advance this goal may be eligible for a 130% LIHC basis boost authorized by HERA.

b. Transit Oriented Development (TOD)

These applications will propose workforce housing projects in close proximity to Metropolitan Transit Authority (MTA) rail stations outside the City of New York, or within a quarter-mile walk of an MTA subway station within the City of New York; or, which are in communities that have completed and are implementing TOD plans clearly linking the proposed project to expanded transportation choices for tenants; or, which are in close proximity to multi-modal transportation centers contributing to the development of vibrant, mixed-use, high-density neighborhoods through the adaptive reuse of non-residential buildings or through infill development.

4. Affordable Housing Preservation Goals

a. Mitchell-Lama Portfolio Projects

Applications that propose the redevelopment/preservation of Mitchell-Lama housing units transferred from NYS Empire State Development Corporation (ESDC) to NYS, as part of Governor Cuomo's \$1 billion House NY Program. Applications must demonstrate the refinancing and preservation of the units would be infeasible as part of a plan of finance that relies on 4% LIHC/tax-exempt bonds without additional HCR subsidies in excess of typical HCR amounts made in connection with such financings. Applicants under this goal must demonstrate successful prior experience in the management of affordable housing properties (with preference for Mitchell-Lama properties) and must maximize the use of all non-HCR resources available for the redevelopment and preservation of this housing portfolio.

b. Rural Preservation Projects

These applications must propose the rehabilitation of projects currently receiving Rural Rental Assistance Program (RRAP) funds. Applications must propose a scope of work extending the expected useful life of the project by no less than 20 years and satisfies heightened energy efficiency standards specified by HCR in the UF 2015 RFP. Successful applications must demonstrate the rehabilitation will be undertaken as part of a financing plan that will result in ongoing reductions of RRAP funding, and that at least 90% of the proposed total development costs will be directly related to physical improvements that will

extend the useful life and improve the habitability and energy efficiency of the project. The only source of funding that may be requested under this goal is Community Investment Fund (CIF). Requests are limited to \$2,000,000 in CIF funds, and \$40,000 per unit, and must satisfy all CIF program requirements described in the UF 2015 RFP.

c. Public Housing Redevelopment Projects

These applications must propose the gut rehabilitation and/or demolition and replacement of substandard public housing outside the City of New York. Eligible applications must include funding commitments for a significant percentage of the project's development financing from non-HCR resources.

APPLICATION WORKSHOPS:

UF 2015 Capital Application Workshops will include a presentation and discussion of project application requirements and the Unified Funding process. UF 2015 Capital Application Workshops will be conducted at the following times and locations:

ROCHESTER:

Wednesday, September 9, 2015 at 10:00 AM

Rochester City Council Chambers

City Hall – Room 302

30 Church St.

Rochester, NY

ALBANY:

Thursday, September 10, 2015 at 10:00 AM

Hampton Plaza Ballroom

38-40 State Street

Albany, NY

NEW YORK CITY:

Friday, September 11, 2015 at 10:00 AM

Adam Clayton Powell State Office Building, 2nd Floor Art Gallery

163 West 125th Street

New York, NY

This notice was prepared and submitted by:

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