DAVID A. PATERSON, GOVERNOR

NEW YORK STATE ANNUAL ACTION PLAN

PROGRAM YEAR 2010

AS APPROVED BY U.S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT DECEMBER 28, 2009

NEW YORK STATE

DIVISION OF HOUSING AND COMMUNITY RENEWAL

OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE

On the Cover:

Top left, Senior residents at Jacobs Hill enjoy a summer afternoon in the shade of a gazebo. This residence, located in Cortlandt Manor, was featured in DHCR's "Take Another Look" public service campaign starring Tiki Barber. DHCR received an Award for Excellence from the National Council of State Housing Agencies (NCSHA) for this campaign.

Top right, Children explore the playground at The Rockaway, a Brownsville, Brooklyn residence funded through Low-Income Housing Tax Credits.

Bottom, West End Phase 1 townhomes located in New Rochelle. This urban renewal project consists of 25 single-family duplex townhouses sold to families at or below 80% of Westchester AMI.

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Executive Summary

In accordance with federal law and the rules and regulations of the U.S. Department of Housing and Urban Development (HUD), New York State must prepare a Consolidated Plan (ConPlan) in order to receive federal funding for certain affordable housing and community development activities. This ConPlan is comprised of the planning and application requirements for:

- **CDBG –** NYS Community Development Block Grant Program
- **HOME –** HOME Investment Partnership Program
- **ESG –** Emergency Shelter Grants Program
- **HOPWA –** Housing Opportunities for Persons with AIDS Program

As required, New York State's ConPlan:

- assesses the State's affordable housing and community development needs
- analyzes the State's housing markets
- articulates the State's goals, priorities, and strategies to address identified needs
- describes the actions the State will take to implement strategies for affordable housing and community development

The State's ConPlan is prepared every five years, distributed widely and updated annually. In 2005, New York State submitted, and HUD approved, the New York State Consolidated Plan: 2006 – 2010. In 2008, New York State submitted, and HUD approved, an Annual Action Plan for 2009. The following Annual Action Plan for 2010 updates that ConPlan by describing the methods New York State will use to distribute CDBG, HOME, ESG, and HOPWA funds in the 2010 calendar year. In addition, the Annual Action Plan for 2010 identifies the priorities to be addressed with these funds and the actions which the State expects to take to address these priorities.

In calendar year 2010, New York State's:

- **CDBG – Community Development Block Grant Program**
  The CDBG Program will use, based on prior year allocations, approximately $47 million (less administrative expenses and Section 108 Loan repayments) of NYS CDBG funds to develop decent housing, create suitable living environments, and enhance economic opportunities across the State. As a result of these activities to increase availability/accessibility, affordability and sustainability, New York State will: rehabilitate approximately 1,050 housing units; assist 90 first-time homebuyers; complete 25 public infrastructure projects serving 32,000 people; complete five (5) public facilities projects serving 3,000 people; create or retain 1,000 permanent, full-time equivalent jobs; and assist 20 businesses.
- **HOME – HOME Investment Partnerships Program**
  The HOME Program will use approximately $34 million to increase the availability/accessibility and affordability of decent housing by creating 1,500 affordable housing opportunities through a combination of new construction, rehabilitation, homebuyer assistance, and rental assistance.
- **ESG – Emergency Shelter Grants Program**
  The ESG Program will use nearly $3.27 million to increase the availability/accessibility of suitable living environments and decent housing by providing a wide range of supportive services to approximately 26,713 individuals.
- **HOPWA – Housing Opportunities for Persons with AIDS Program**
  The HOPWA Program will use approximately $1.88 million to increase the availability/accessibility and affordability of suitable living environments and decent housing by assisting 440 households with rental assistance or congregate housing.

  Outcome estimates in this Annual Action Plan for 2010 are based on actual performance in recent years. An evaluation of actual performance in 2010 will be the subject of the Performance Report for 2010, which will be filed with HUD on March 31, 2011.

As with all other ConPlan-related documents, this Annual Action Plan is being prepared in accordance with a HUD-approved Citizen Participation Plan. A copy of the Citizen Participation Plan is attached as Appendix I to this document.

Section 91.320(a) through (g) Action Plan – General Requirements

The action plan must include the following:

(a) Standard Form 424;

(b) A concise executive summary that includes the objectives and outcomes identified in the plan as well as an evaluation of past performance, a summary of the citizen participation and consultation process (including efforts to broaden public participation) (24 CFR 91.300 (b)), a summary of comments or views, and a summary of comments or views not accepted and the reasons therefore (24 CFR 91.115 (b)(5)).

(c) Resources and objectives. (1) Federal resources. The consolidated plan must provide a concise summary of the federal resources expected to be made available. These resources include grant funds and program income.

(2) Other resources. The consolidated plan must indicate resources from private and non-federal public sources that are reasonably expected to be made available to address the needs identified in the plan. The plan must explain how federal funds will leverage those additional resources, including a description of how matching requirements of the HUD programs will be satisfied. Where the state deems it appropriate, it may indicate publicly owned land or property located within the state that may be used to carry out the purposes identified in the plan;

(3) Annual objectives. The consolidated plan must contain a summary of the annual objectives the state expects to achieve during the forthcoming program year.

(d) Activities. A description of the state's method for distributing funds to local governments and nonprofit organizations to carry out activities, or the activities to be undertaken by the state, using funds that are expected to be received under formula allocations (and related program income) and other HUD assistance during the program year, the reasons for the allocation priorities, how the proposed distribution of funds will address the priority needs and specific objectives described in the consolidated plan, and any obstacles to addressing underserved needs.

(e) Outcome measures. Each state must provide outcome measures for activities included in its action plan in accordance with guidance issued by HUD. For the CDBG program, this would include activities that are likely to be funded as a result of the implementation of the state's method of distribution.

(f) Geographic distribution. A description of the geographic areas of the State (including areas of low-income and minority concentration) in which it will direct assistance during the ensuing program year, giving the rationale for the priorities for allocating investment geographically. When appropriate, the state should estimate the percentage of funds they plan to dedicate to target area(s).

(g) Affordable housing goals. The state must specify one-year goals for the number of households to be provided affordable housing through activities that provide rental assistance, production of new units, rehabilitation of existing units, or acquisition of existing units using funds made available to the state, and one-year goals for the number of homeless, non-homeless, and special-needs households to be provided affordable housing using funds made available to the state. The term affordable housing shall be as defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership.

Overview

This section describes the proposed activities and accomplishments of New York State in administering the CDBG, HOME, ESG, and HOPWA programs during calendar year 2010.

Principal Federal Resources

During 2010, it is estimated that federal funding for these four (4) programs will be available as follows:

• NYS Community Development Block Grant Program	**CDBG**	**$ 47,000,000**[1]
• HOME Investment Partnerships Program	**HOME**	$ **38,600,000**[2]
• Emergency Shelter Grants Program	**ESG**	**$ 3,277,009**
• Housing Opportunities for Persons with AIDS Program	**HOPWA**	**$ 1,938,459**

Other Resources - Agencies and Programs in Support of New York State's Objectives

In addition, wherever appropriate, funding from a variety of other sources will be used in conjunction with CDBG, HOME, ESG, and HOPWA funds. These other sources include:

- **Federal Housing Programs:**
  - Low-Income Housing Credit Program
  - Public Housing New Construction Program
  - Section 514/516 RHS Farm Labor Housing Grants and Loans
  - Section 515 RHS Rental Housing Program
  - Section 523 RHS Self-Help Technical Assistance Program
  - Section 504 RHS Housing Repair Loan and Grant Program
  - Section 509 RHS Construction Defect Housing Compensation Program
  - Section 533 RHS Housing Preservation Grants Program

- **Federal Non-Housing Community Development Programs:**
  - Program Income retained by awardees
  - Other HUD Community Planning and Development programs
  - Rural Development Agency
  - Community Facilities Loans and Grants
  - Federal Empowerment Zone and Federal Enterprise Communities resources
  - Department of Commerce, Economic Development Administration
  - Workforce Investment Act funds
  - Community Services Block Grant Program - Department of State (DOS)
  - Community Support Services Program - Office of Mental Health (OMH)
  - Home and Community Based Services Program – Office of Mental Retardation and Developmental Disabilities (OMRDD)
  - Appalachian Regional Commission Area Development Program
  - Department of Health and Human Services (Office for the Aging)

- **New York State Housing Agencies and Programs**
  To the greatest extent possible, the housing programs listed below and in the ConPlan will be coordinated with the non-housing activities covered by these objectives. For example:

[1] This amount is subject to 108 Loan Guarantee commitments made by HUD prior to October 21, 1999. A portion of the funds must also cover interest subsidies and grants awarded by HUD for the Canal Corridor Initiative.

[2] This amount includes an allocation to fund American Dream Downpayment Initiative (ADDI) activities.

- **New York State Housing Trust Fund Corporation (HTFC)**
  HTFC administers the Low-Income Housing Trust Fund which provides funding annually to not-for-profit, for-profit, and certain government entities to build or rehabilitate housing for low-income homesteaders, tenants, tenant cooperators, and condominium owners.

- **New York State Division of Housing and Community Renewal (DHCR)**
  Through the Weatherization Assistance Program, DHCR funds eligible sub-grantee organizations, which in turn provide grants to low-income households to make certain energy conservation improvements and repairs in both rental and owner-occupied units throughout the State. DHCR also administers the New York State Low-Income Housing Credit Program, which provides tax incentives for the development of affordable housing as well as the RESTORE program which aids low- and moderate-income seniors in addressing emergency repairs to their homes.

- **New York State Affordable Housing Corporation (AHC)**
  AHC administers several programs funding the construction or rehabilitation of affordable housing. The purpose of AHC's programs is to promote homeownership by persons of low- and moderate-income, which in turn fosters development, stabilization, and preservation of neighborhoods and communities. To achieve these goals, the Corporation provides financial assistance, in conjunction with other private and public investment, for the construction, acquisition, rehabilitation, and improvement of owner-occupied housing.

- **State of New York Mortgage Agency (SONYMA)**
  The SONYMA program is funded through the issuance of mortgage revenue bonds. SONYMA is dedicated to providing affordable homeownership opportunities to low- and moderate-income families in New York State through low interest rate mortgages.

- **Rural Preservation Companies and Neighborhood Preservation Companies**
  Rural Preservation Companies and Neighborhood Preservation Companies, as well as county governments, play important roles in administering local projects funded with federal and state monies. Local governments are often involved in efforts to market tax delinquent properties to lower-income residents with flexible mortgage terms. NYS CDBG applicants will often call upon these resources to co-fund various elements of their projects.

- **New York State Non-Housing Community Development Programs**
  In addition to NYS CDBG, the following agencies and programs are available to meet non-housing community development needs and provide other leveraged resources. These resources can provide assistance to undertake economic development, public infrastructure, facility, and service projects that meet the program objectives.

  - **Empire State Development Corporation (ESDC**)
    New York has a unified economic development organization in the form of the ESDC, integrating staff of several economic development organizations, while keeping the flexibility of the various legal entities. ESDC's primary function is to assist in the creation and retention of jobs, thereby strengthening the economic base of its communities. The investment of state resources is reviewed in terms of its community economic impact on a variety of factors including employment and expansion of the tax base. ESDC provides assistance through a variety of programs including Empire Zones, brownfields development, commercial / industrial business financing, and small business financing.

- **New York State Housing Trust Fund Corporation (HTFC)**
  HTFC administers the New York Main Street Program (NYMS) which provides financial and technical resources to help communities with their efforts to preserve and revitalize mixed-use (commercial, civic and residential) main street/downtown business districts. The NYMS program helps revitalize communities by funding building renovations, downtown business or cultural anchors, and streetscape enhancements that are ancillary to other program activities.

- **New York State Department of Agriculture and Markets (Ag&Mkts)**
  Ag&Mkts provides funding and technical assistance to businesses through a variety of programs such as the Pride of New York, Grow New York, Agricultural Tourism, and Farmers' Markets programs.

- **New York State Department of Transportation (NYSDOT)**
  NYSDOT administers the Industrial Access Program (IAP) which provides funding for creating and/or improving transportation access to industrial facilities as part of local economic development efforts.

- **New York State Energy Research and Development Corporation (NYSERDA)**
  NYSERDA is a public benefit corporation established as part of the State's effort to assist for-profit business viability through energy-efficient retrofits and the adoption of new technologies and to help not-for-profit entities and residential owners reduce costs while becoming more energy efficient. Grants are provided to commercial, industrial, academic, and residential sectors.

- **Environmental Facilities Corporation (EFC)**
  EFC provides advisory services and financial and technical assistance for constructing/upgrading of water supply systems, sewage treatment facilities, and environmental compliance and remediation. EFC also administers the State's revolving funds for drinking water (in cooperation with the New York State Department of Health) and clean water (federal/state matching programs). An interagency committee has been created to formalize a co-funding initiative which coordinates water and sewer financing activities to improve service to communities seeking project financing. This interagency committee consists of the EFC, the New York State Departments of State, Health, and Environmental Conservation, U.S. Department of Agriculture Rural Development, and the Division of Housing and Community Renewal.

- **New York State Department of State (DOS)**
  DOS provides technical assistance in planning to communities statewide and administers the Coastal Zone Management Program, the Appalachian Regional Commission Program, and the Community Services Block Grant Program.

In addition, local governments contribute real estate, in-kind services, general fund expenditures, and bond proceeds to projects. Other sources of project support are local housing preservation companies, local development corporations, chambers of commerce, industrial development agencies, private/public partnerships, business improvement districts, local public authorities, and local planning offices. New York State anticipates that other private funding and market-driven investments may be available to support the non-housing community development objectives outlined herein.

Finally, the Community Renewal Tax Relief Act of 2000 authorized up to $15 billion in equity that is eligible for tax credits under the New Markets Tax Credit (NMTC) program. This program is expected to stimulate capital investment in low-income communities. The Community Development Financial

Institutions (CDFI) Fund in the Department of Treasury allocates the available tax credit authority to community development entities (CDE), which are entities that manage NMTC investments in low-income community development projects. In return for the tax credit, which may be claimed over seven years, investors supply capital to the CDEs that are to invest the capital in low-income communities.

Objectives and Outcomes

In administering federal funding for CDBG, HOME, ESG, and HOPWA, New York State will continue its efforts to make decent housing, a suitable living environment, and economic opportunity available, affordable, and sustainable for all New Yorkers.

- **DH-1 Increasing the availability/accessibility of decent housing**
  To pursue this objective and outcome, New York State will, in 2010, rehabilitate about 1,950 units of affordable housing and provide approximately 1,377 persons with services to prevent homelessness.

- **DH-2 Increasing the sustainability of decent housing**
  To pursue this objective and outcome, New York State will, in 2010, produce approximately 690 units of affordable rental or home-ownership housing, provide purchase assistance subsidies to about 90 households, and help approximately 440 households with tenant-based rental assistance.

- **SL-1 Increasing the availability/accessibility of suitable living environments**
  To pursue this objective and outcome, New York State will, in 2010, assist about 13,292 persons by funding essential services, assist approximately 12,044 persons by funding maintenance and operations activities, and assist about 1,710 persons by funding supportive services.

- **SL-2 Increasing the affordability of suitable living environments**
  To pursue this objective and outcome, New York State will, in 2010, fund infrastructure improvements which will serve about 32,000 persons.

- **SL-3 Increasing the sustainability of suitable living environments**
  To pursue this objective and outcome, New York State will, in 2010, fund public facilities improvements which will serve approximately 3,000 persons.

- **EO-1 Increasing the availability/accessibility of economic opportunity**
  To pursue this objective and outcome, New York State will, in 2010, fund economic development and small business assistance activities which will create or retain about 1,000 permanent, full-time equivalent jobs.

- **EO-2 Increasing the affordability of economic opportunity**
  To pursue this objective and outcome, New York State will, in 2010, assist about 20 small businesses.

Program Specific Sections

HUD regulations at 24 CFR 91.320 require each state to provide a description of the resources, activities, distribution, monitoring, and program-specific requirements of the CDBG, HOME, ESG, and HOPWA programs. New York State's Annual Action Plan for 2010 has been organized to provide, in the following sections, a separate, full discussion of these requirements as they pertain to each of the four HUD-CPD formula grant programs, followed by a discussion of those other actions New York State intends to take which are not specific to one of the four (4) programs.

Section 91.320(k)(1) Community Development Block Grant (CDBG)

(i) "The method of distribution shall contain a description of all criteria used to select applications from local governments for funding, including the relative importance of the criteria where applicable The action plan must include a description of how all CDBG resources will be allocated among all funding categories and the threshold factors and grant size limits that are to be applied. The method of distribution must provide sufficient information so that units of general local government will be able to understand and comment on it, understand what criteria and information their application will be judged, and be able to prepare responsive applications. The method of distribution may provide a summary of the selection criteria, provided that all criteria are summarized and the details are set forth in application manuals or other official state publications that are widely distributed to eligible applicants. HUD may monitor the method of distribution as part of its audit and review responsibilities, as provided in 570.493(a)(1), in order to determine compliance with program requirements.

(ii) If the State intends to aid nonentitlement units of general local government in applying for guaranteed loan funds under 24 CFR part 570, subpart M, it must describe available guarantee amounts and how applications will be selected for assistance. If a State elects to allow units of general local government to carry out community revitalization strategies, the method of distribution shall reflect the State's process and criteria for approving local governments' revitalization strategies."

Overview

The Housing Trust Fund Corporation is designated to administer the New York State Community Development Block Grant (CDBG) Program. HTFC is a public benefit corporation, created by statute, which acts through a Board of Directors chaired by the Commissioner of the Division of Housing and Community Renewal (DHCR). New York State's CDBG Program will address the needs, implement the plan to achieve the objectives, and advance the priorities set forth in the Consolidated Plan for affordable housing and for non-housing community development needs.

To that end HTFC will provide loans, grants, or technical assistance for the development of projects that provide decent and hazard-free affordable housing, access to safe drinking water, proper disposal of household wastewater, access to community-needed services in local facilities, and economic opportunities for persons from low- and moderate-income households by supporting development projects that are designed to create or retain employment opportunities or foster micro-enterprise activities.

In support of New York State's community development goals, the CDBG Program will:

- support a mix of rehabilitation, conversion, and construction activities to preserve and increase affordable housing, both for renters and owners
- encourage investment in communities by assisting local governments in devising comprehensive development strategies to revitalize viable communities and provide economic opportunities that principally benefit low- and moderate-income persons
- revitalize the vibrancy of our communities which will enhance the quality of life
- develop and implement strategies that facilitate the coordination of NYS CDBG funding with other federal, state, and local development resources

NYS CDBG Program/Federal Resources

It is currently estimated that $47 million will be available in 2010. The actual allocation available to New York State each year is decreased by an amount equal to the estimated annual debt service incurred by HUD, under the Section 108 Loan Guarantee Program, prior to New York State assuming authority for program administration in 2000. HUD calculates this amount each year. Such calculation does not include any potential defaults from pre-2000 HUD Section 108 projects.

New York State may set aside up to two percent (2%) of the gross allocation plus $100,000 for program administration. Secondary funding includes up to one percent (1%) for technical assistance and capacity building, up to one percent (1%) for community planning, and up to three percent (3%) for Imminent Threat/Contingency funding.

Federal resources used to address the priority needs and specific objectives identified in the State's Consolidated Plan include: HOME Investment Partnership Program funds; NYS CDBG Program income retained by a non-entitlement community from prior CDBG projects; Low-Income Housing Credit Program assistance for developing rental housing for low- and moderate-income households; Federal Home Loan Bank assistance for affordable housing in projects sponsored by member lending institutions; Economic Development Administration and Small Business Administration funds; Clean Water Act and Safe Drinking Water Act allocations to New York State; USDA Rural Development and Appalachian Regional Commission funds; and funds provided through the Workforce Investment Act.

Availability of Funds

New York State intends to allocate available funds to eligible non-entitlement grant recipients during the 2010 Program Year in the following manner:

Community Development Competitive Round	61%
Economic Development Open Round	28%
Innovative Projects and Special Assistance	4%
Imminent Threat	3%
Technical Assistance and Capacity Building	1%
Community Planning	1%
Program Administration	2%

Program funds will be available either through direct grants to eligible municipalities to provide technical assistance, capacity building, or planning to potential participating municipalities or through other eligible means.

Program Objectives

As outlined in Title I of the Housing and Community Development Act, the primary goal of the CDBG program is "the development of viable communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-incomes."

Pursuant to the national objectives, New York State's CDBG Program aims to:

- provide flexibility to address community priorities
- support housing rehabilitation and new construction that increases the supply of safe, decent, and affordable housing
- expand homeownership opportunities for low- and moderate-income persons
- assist communities in the preservation and development of public infrastructure
- encourage the development of facilities in underserved areas needed to support job training, and childcare and eldercare for lower-income residents
- promote economic development activities that principally benefit low- and moderate-income persons through job creation and retention

- help communities develop the capacity for strategic planning of short- and long-range community development goals, as well as the capacity to implement their goals efficiently and maintain improvements
- improve deteriorating residential neighborhoods and commercial districts via comprehensive approaches that combine housing improvement, public facilities development, job creation, or other eligible activities
- support New York State's disaster response mechanisms
- leverage other public and private resources

Geographic Allocation/Eligible Applicants

There are approximately 1,300 units of general local government eligible for New York State's CDBG Program. Eligible communities do not include: metropolitan cities; urban counties; units of government that are participating in urban counties or metropolitan cities, even if only part of the participating unit of government is located in the urban county or metropolitan city; and Indian tribes eligible for assistance under Section 106 of the HUD Act. Distribution of funds is based on need, the manner in which the activities address the need, the overall impact to the community, and prior performance during the period of PY 2000-2009.

Method of Distribution

As stated, approximately $47 million is anticipated to be made available for the 2010 Program Year. The description that follows outlines the fundamental rating methodology, identifies the funding categories, and summarizes the criteria used in making project selections for the competitive round of funding. Applications received under the open-round economic development program are reviewed following standard underwriting guidelines established by HUD and evaluation criteria established by the State. Applications within the funding categories of Housing and Public Facilities are rated against other projects of the same category and scored as outlined below with a maximum score of 600 points. For example, housing rehabilitation projects will only be rated against other housing rehabilitation projects, according to the applicable criteria.

- **Project Scoring**

1. Municipal Poverty Points	150 points
a. Absolute number of persons in poverty	
b. Percent of persons in poverty	
2. Assessment Points	400 points
3. FHEO Points	30 points
a. Provision of Fair Housing Choice	
b. Equal Opportunity Employment	
4. New York State Initiatives Points	20 points
Total	**600 points**

1. Municipal Poverty Score

a. Absolute number of persons in poverty

New York State will use 2000 census data to determine the absolute number of persons in poverty residing within the applicant's unit of general local government. Applicants that are county governments are rated separately from all other applicants. Individual need scores are obtained by dividing each applicant's absolute number of persons in poverty by the greatest number of persons in poverty of any applicant and multiplying by 75.

b. Percent of persons in poverty

New York State will use 2000 census data to determine the percent of persons in poverty residing within the applicant's unit of general local government. Individual need scores are obtained by dividing each applicant's percentage of persons in poverty by the highest percentage of persons in poverty of any applicant and multiplying by 75.

2. Assessment Points

Within each category, individual projects will be assessed based on the extent to which they meet the category-specific assessment criteria. Scoring will be based on a maximum of 400 points with the most points being awarded to projects that have demonstrated exceptional compliance with the assessment criteria identified for each category; 300 points will be awarded to projects that have substantially demonstrated compliance with the assessment criteria; 200 points will be awarded to projects that have moderately demonstrated compliance with the assessment criteria; and 100 points will be awarded to projects that have minimally demonstrated compliance with the assessment criteria.

The application kit provides specific guidance for the submittal of applications, including detailed descriptions of the assessment criteria that must be addressed for each of the funding categories. In addition to reviewing an applicant's compliance with the assessment criteria, a review will be undertaken to determine if the applicant has the capacity to complete the project in a timely manner, completed and/or made appropriate progress with prior HTFC grants, as well as complied with all federal, State, and programmatic rules and regulations. Analysis of the application may include, but is not limited to, the following:

- Project/Program Need
- Feasibility
- Impact to the residents, specifically low- and moderate-income persons or households
- Appropriateness of the proposed activities as it relates to the need
- Extent to which the activity addresses the identified need
- Degree to which the project supports other program initiatives
- Degree to which health, welfare, or safety issues are addressed
- Extent to which the activity has long-term affordability and viability
- Financial Impact in reducing the debt burden of the residents
- Reasonableness of project costs
- Administrative Capacity

3. Outstanding Performance - Fair Housing/Equal Opportunity

Applicants will receive 20 points toward their total score for demonstrating their efforts to provide assisted housing to low- and moderate-income families in ways that promote housing choice in areas outside of minority or low- and moderate-income concentrations. Strict documentation of such effort is required.

Applicants will receive 10 points towards their total score for demonstrating that their percentage of minority, full-time, permanent employees is greater than the percentage of minorities in the applicant's community. Strict documentation evidence is required, and HUD definitions of minority status apply.

4. **New York State Initiatives Points –** NYS Initiative Points will be awarded to applicants who develop proposals that will effectively meet one of the areas identified as a New York State Community Development Initiative. Examples of such initiatives may include green building, broadband, main street, or shared municipal services. Strict adherence to requirements outlined in the grant application is essential in order for an applicant to receive the points.

- **Funding Limits for Eligible Applicants**
  Annual Competitive Round

  Towns, Cities or Villages:

Housing/Public Facilities	$400,000
Public Infrastructure (water/sewer only)	$600,000

  Counties

Housing/Public Facilities/Public Infrastructure	$750,000

  Joint Applicants*

Public Infrastructure (water/sewer only)	$900,000

  *Projects must meet specific requirements in order to qualify for funding under the Joint Applicants category.

  Open Round Economic Development Assistance:*

Eligible applicants:	$750,000

  *Exceptions to these limits may be made in cases where *it is found that a project or projects may have a significant impact that may realize a potential for regional or statewide economic impact.*

- **Other Limitations**
  - Applicants may submit more than one (1) application during the competitive round. However, the requested amount of funding for a town, village or city may not exceed a total of $600,000, of which only $400,000 may be requested for housing or public facilities activities and $600,000 may be requested for public infrastructure activities. Counties may apply for a total of $750,000.
  - Joint Applicants may apply for more than one (1) application during the competitive round, but the total amount requested by each applicant cannot exceed $900,000.
  - An applicant may apply for and be awarded an open round economic development grant in the same program year as it applies for and is awarded an annual competitive round grant.
  - Recipients of prior NYS CDBG funding must resolve all outstanding audit and monitoring findings and/or other program requirements which involve a violation of federal, State or local law or regulation prior to award or submission of any application to the Office of Community Renewal. Applications received from recipients with outstanding audit or monitoring findings are at risk of not being competitive.
  - Unless a Recipient will be using program income in the same project for the same use, all program income earned by grant Recipients must be returned to the New York State Housing Trust Fund Corporation or initial CDBG activities must be undertaken by an eligible entity under 105(a)(15) of the Housing and Community Development Act who will receive and administer any income earned.

- **Redistribution of Funds**
  Reallocated funds are those which HUD has recaptured from grantees and reallocated to the State. Recaptured funds are those the State receives back from a NYS CDBG Program recipient as a result of an ineligible use of funds. Deobligated funds are those that the State reallocates from recipients as a result of termination, withdrawal or excess funds.

  Any such funds received will be distributed by the State in the accordance with New York State's Action Plan. New York State may use these to fund primary or secondary funding categories and/or administration, subject to limitations set forth in Title I of the Housing and Community Development Act, as amended.

  Successful applicants that fail to start their project within twelve months from the time of award are subject to having their grant award rescinded. Unexpended funds may be used to make additional awards to any open NYS CDBG contract, or to make new awards in any program category, or to increase available funds for the following program year.

- **Application and Awards Process - Outline of Application Procedure**
  - Application Workshops will be conducted around the State.
  - Notification of Funding Availability is published in the State Register. (An application kit is available on HTFC's Office of Community Renewal website at www.nysocr.org).
  - Applications are reviewed to determine completeness, eligibility of applicant and activity, as well as compliance with threshold criteria.
  - Applicants that submitted incomplete applications will be required to submit the required documentation within ten (10) working days from notification.
  - Applications are evaluated, scored, and ranked.
  - Grant awards are announced.

- **Primary Funding Categories**
  Eligible activities are generally found in Section 105 of the HUD Act of 1974, as amended and 24 CFR Part 570.482, as amended. For the 2010 Program Year, HTFC will provide opportunities for the primary categories of funding: housing; public facilities (including infrastructure); and economic development. All categories of projects must meet the primary objective that at least seventy percent (70%) of the funds will be used to benefit low- and moderate-income persons. All funded activities must fulfill one of the CDBG National Objectives: provide a public benefit to low- and moderate-income persons, aid in the prevention or elimination of slums and blight, or meet other urgent community development needs such as imminent threats to the health and safety of the community.

ANNUAL COMPETITIVE ROUND

Housing

There are two (2) types of housing projects eligible for CDBG funding: housing rehabilitation, including replacement or conversion from non-residential to residential, and direct homeownership assistance. Each applicant determines the best approach to address the housing needs of low- and moderate-income persons based upon a required needs analysis and detailed survey of housing conditions. Housing activities may include the acquisition or rehabilitation of property, replacement of severely substandard housing, and conversion of non-residential structures. At a minimum, all housing units assisted with CDBG funding must meet Section 8 Housing Quality Standards and all applicable federal, State, and local codes. Applicants often use CDBG funds to leverage additional resources such as owner contributions and grants from other public and private sources. Though such matches are not a requirement of the CDBG Program, applicants are encouraged to supplement

CDBG funding with other available resources. Separate rating criteria apply to each type of housing project.

The application process for housing projects encourages proposals which further fair housing choice. Applicants are expected to conduct housing surveys, needs analyses, citizen participation processes, and outreach to qualified households in ways that ensure program compliance and benefit to all low- and moderate-income households. Housing rehabilitation and replacement and homeownership are direct benefit activities which require one hundred percent (100%) benefit to low- and moderate-income persons. In general, projects which solve housing problems for those with the lowest income, the most disadvantaged, and the most poorly housed community residents would tend to score highly, assuming all other criteria are satisfied.

- **Housing Rehabilitation/Replacement:**
  Anticipated Objective – Decent Housing
  Anticipated Outcome – Improving the availability and accessibility of housing
  Objective-Outcome Category = DH-1 (See HUD TABLE 3C for CDBG on page 13)

  In general, the CDBG Program's emphasis in this category is the provision of safe and habitable housing which will principally be occupied by low- and moderate-income households, at standards of quality meeting New York State's building codes as well as federal regulations. Applications should address all necessary repairs, including exterior work, to present the beneficiaries with rehabilitation that not only mitigates hazards but improves energy efficiency.

  HTFC expects that approximately 1,050 units of housing will be improved through rehabilitation, replacement and/or conversion in Program Year 2010. (New York State does not anticipate these units meeting Section 215 goals. The actual number will depend on the quantity of applications proposing such projects and their competitiveness with other proposals in the housing category.)

- **Homeownership Assistance:**
  Anticipated Objective – Decent Housing
  Anticipated Outcome – Improving affordability of housing
  Objective-Outcome Category = DH-2
  The CDBG Program's emphasis in the homeownership category is to provide down payment and closing costs, counseling services, and minor rehabilitation to low-and moderate- income households. Counseling of prospective homeowners is encouraged to provide information on program obligations, the homebuyer process, and home maintenance. Mortgages may be arranged through private local banks (which may assist the banks in meeting the Community Reinvestment Act requirements), or at reduced lending rates through state and federal housing programs such as the State of New York Mortgage Agency, the Federal Home Loan Bank**,** Fannie Mae or the U.S. Department of Agriculture Rural Development program.

  HTFC expects that 90 households will be assisted in purchasing their own homes in Program Year 2010. (The actual number will depend on the quantity of applications proposing such projects and their competitiveness with other proposals in the housing category.)

- **Public Infrastructure and Facilities**

  Public Infrastructure
  Anticipated Objective – Suitable Living Environment
  Anticipated Outcome – Increasing the affordability of public facilities/infrastructure to low- and moderate-income persons

Objective-Outcome Category = SL-2

Public Facilities
Anticipated Objective – Suitable Living Environment
Anticipated Outcomes – Creating sustainability of communities through public facilities/infrastructure to low- and moderate-income persons
Objective-Outcome Category = SL-3

Public infrastructure and facility activities are those which will assist in the creation of a safe and sanitary living environment, benefit low- and moderate-income people, aid in the elimination of slums or blight, and provide public facilities that offer services to improve the public health, safety, and welfare of residents.

HTFC anticipates the completion of twenty-five (25) public infrastructure projects serving 32,000 people and five (5) public facilities projects serving 3,000 people in Program Year 2010. (The actual number will depend on the quantity of applications proposing such projects and their competitiveness with other proposals in the Public Infrastructure and Facilities category.)

HUD Table 3C (Optional)			
Annual Action Plan 2010 CDBG Program Planned Project Results			
Objective-Outcome Category*	**Performance Indicator**	**Expected Number**	**Activity Description**
DH-1	Total Housing Units	1,050	Housing Rehabilitation
DH-2	Total Households Assisted	90	Homeownership Assistance
SL-2	Total Persons Served	32,000	Infrastructure Improvements
SL-3	Total Persons Served	3,000	Public Facility Improvements
EO-1	Total Permanent Full-Time Equivalent Jobs Created/Retained/Assisted	1,000	Economic Development Job Creation/Retention
EO-2	Total Businesses Assisted	20	Low- and Moderate-Income Business Assistance

Objective-Outcome Categories

Objective / Outcome		Availability/Accessibility 1	Affordability 2	Sustainability 3
Decent Housing	**DH**	**DH-1**	**DH-2**	**DH-3**
Suitable Living Environment	**SL**	**SL-1**	**SL-2**	**SL-3**
Economic Opportunity	**EO**	**EO-1**	**EO-2**	**EO-3**

Open Round Economic Development
Job Creation/Retention Assistance

Anticipated Objective – Creating Economic Opportunities
Anticipated Outcome – Increasing the availability/accessibility of economic opportunities
Anticipated objective-outcome category = EO-1

Low- and Moderate-Income Business Assistance
Anticipated Objective – Creating Economic Opportunities
Anticipated Outcome – Increasing the affordability of economic opportunities
Anticipated objective-outcome category = EO-2

Businesses that create or retain permanent job opportunities that principally benefit low- and moderate-income persons or which benefit low- and moderate-income business owners are eligible for funding under the Open Round Economic Development Program. There are three categories of funding under the Open Round Economic Development Program: Economic Development, Small Business Assistance, and Microenterprise Assistance.

The maximum funding request for Economic Development projects is $750,000 in a program year. HTFC may fund above the maximum for applications that have a unique or significant effect on creating economic opportunities. Municipalities will provide assistance in the form of a loan or grant to one (1) or more qualifying businesses. Funds may be used for any legitimate and justifiable business purpose as long as the business meets the job creation/retention or low- and moderate-income business owner requirements.

Eligible applicants may submit applications for funding at any time throughout the year. Applicants applying for Open Round Economic Development may also submit an application for a project in the Annual CDBG Competitive Round.

HTFC expects to fund projects which create or retain 1,000 permanent full-time equivalent jobs in Program Year 2010 through the Economic Development Job Creation/Retention Assistance. (A job created is a new position that has been created and filled; a retained job is one that otherwise would have been eliminated without CDBG Program assistance.)

HTFC also estimates that a total of 20 low- and moderate-income businesses will be assisted through the Microenterprise Assistance Program.

- **Economic Development Application Process**
  Applications will be reviewed as they are submitted and an analysis of the application will be performed, which may include underwriting to ensure compliance with federal requirements of 24 CFR 570.482(e) and to ensure successful and quality projects.

- **Evaluating Economic Development Projects**
  The Economic Development application kit provides specific guidance for the submittal of applications, including detailed descriptions of the evaluation criteria. In addition to reviewing an applicant's compliance with the criteria, a review of an applicant's capacity and program history may be undertaken to determine if the applicant has the capacity to complete the project in a timely manner and has completed and/or made appropriate progress with prior HTFC grants, as well as complied with all federal, State, and programmatic rules and regulations. Analysis of the application may include, but is not limited to, the following:
  - demonstrated financial need for the project
  - impact on employment opportunities for low- and moderate-income persons and the amount of funds needed to create each full time equivalent (FTE) job for low- to moderate-income people
  - demonstrated financial and technical feasibility
  - current and future community impact of the project and public benefit
  - reasonableness of project costs

Secondary Funding Categories

- **Innovative Projects and Special Assistance**
  The State may use up to four percent (4%) of its allocation on a non-competitive open-round basis for innovative projects. Projects that are innovative and address a significant community development need will be considered as well as projects that require a large scale concentrated effort to address a specific community development need. Innovative Projects and Special Assistance funds may be awarded to successful eligible applicants or may be used by the HTFC to fund a special initiative that addresses a specific community development need. Potential applicants seeking funding under this category must submit preliminary information and receive approval to submit an application.

- **Imminent Threat**
  The State reserves the right to set aside up to three percent (3%) of the annual allocation for imminent threat or contingency situations affecting the public health, welfare, and/or safety which require immediate resolution. Typically, eligible projects are located in a federal- or state-declared disaster area. Applications can be submitted throughout the year.

- **Technical Assistance and Capacity Building**
  In accordance with Section 811 of the Housing and Community Development Act of 1992, up to one percent (1%) of the State's federal allocation may be utilized for technical assistance and capacity building for eligible local governments. The types of technical assistance provided will be based on the technical assistance and capacity needs identified and will be developed in consultation with eligible local governments in accordance with regulations.

- **Community Planning**
  The State may undertake community planning initiatives in accordance with CDBG rules, regulations, and guidelines that will result in strategies to effectively meet the community and economic development challenges of eligible communities.

  In addition to traditional local government planning activities, the following types of community planning projects may be considered for funding including, but not limited to:
  - Conduct a needs assessment and develop a plan to provide affordable high-speed internet service to communities where broadband service is unavailable and would provide economic opportunities or public benefit.
  - Develop a proposal by two (2) or more units of local government for the development of a plan to analyze the viability of shared municipal services between the entities. These plans would allow the municipalities to develop strategies that would achieve savings and improve municipal efficiency through shared services, cooperative agreements, mergers, consolidations, and dissolutions.
  - Prepare an affordable housing strategy to help communities identify the housing needs of their low- and moderate-income citizens, and develop a plan that will address those needs.

- **Section 108 Loans**
  The State may elect to provide assistance to non-entitlement units of local government by providing opportunities for funding under Section 108 of the Housing and Community Development Act of 1974, as amended. The State may apply for funding on behalf of non-entitlement units of local government or they may apply directly for guaranteed loans under 24 CFR Part 570, Subpart M (Section 108 Loans).

  Applications will be accepted on a year-round basis. Eligible communities will be asked to submit preliminary information establishing that the proposed project meets federal eligibility

requirements. The amount of loans available statewide to eligible communities is the maximum allowed under HUD regulation 24 CFR 570.705.

For communities having Section 108 Guaranteed Loans that closed on or after October 21, 1999, the following conditions apply:

- Any repayment of Section 108 Guaranteed Loan debt obligations made with CDBG grant funds by a community as a result of default will be applied to the community's annual funding limit.
- Repayment of a Section 108 Guaranteed Loan is the responsibility of the local government if the activity funded by the loan is determined to be ineligible or in violation of federal rules or regulations.
- HUD must approve all guaranteed loan applications.

Section 108 Loan Guarantee Application Process:
The Office of Community Renewal reviews loan applications and performs required associated underwriting for the Section 108 Loan Guarantee program as required by 24 CFR 570.482(e).

Section 108 Evaluation Criteria
Section 108 loans will be evaluated in accordance with 24 CFR Part 570, the Section 108 Final Rule, along with consideration being given to:

- Section 108 guaranteed loan funds used per permanent job created (cost-effectiveness)
- actual number of jobs created
- documentation/demonstration that the project will have a significant impact on defined community needs
- consistency with local planning and development strategies
- certifications provided by the local government

Section 108 Loan Management
Following HUD approval, HTFC will be responsible for approving/monitoring project aspects such as, but not limited to, release of funds, associated financial records and loan documents, compliance with federal requirements, and loan repayments.

CDBG Program Monitoring

To ensure that each recipient of NYS CDBG funds operates in compliance with all applicable federal statutes and regulations and according to all deadlines and requirements, a monitoring strategy is in place that closely reviews and monitors the project implementation of recipients and provides extensive technical assistance for the prevention of non-compliance issues.

Substantial records are maintained for the oversight and monitoring of each recipient while also requiring each recipient to maintain its own records to facilitate the monitoring process and for public access.

Monitoring each recipient requires both on-site and off-site monitoring to track the progress of the project and compliance with all program requirements. Additionally, a technical assistance visit may be required as a result of a field visit or the identification of potential non-compliance issues.

Monitoring activities may also include the following:

- an initial assessment of the capacity and needs of each recipient or a pre-funding site visit for potential recipients to check that conditions are as described in the funding application
- yearly workshops to provide program and regulatory requirement information assistance

- meetings each year to review all contract conditions, requirements, and procedures for requesting payments
- detailed explanation of ways to improve grant administration procedures should a grantee be experiencing difficulty

HTFC must further be satisfied in regard to the following compliance areas:

- Program Administration
- Environmental Compliance
- Civil Rights Compliance
- Citizen Participation
- Conflict of Interest
- Financial Management
- Procurement
- Bonding Requirements and Contract Provisions
- Labor Standards Compliance
- Property Acquisition and Management
- Displacement, Relocation, and Replacement
- Policies and Procedures
- Benefit Standard

The identification of compliance problems will result in notification to the grant recipient and the setting of a deadline for response and compliance. Status shall be further monitored to insure resolution in a timely manner and continued compliance. Where warranted, suspension of grant funds may occur.

91.320(k)(2) HOME Investment Partnerships (HOME) Program

"(i) The State shall describe other forms of investment that are not described in Sec.92.205(b) of this subtitle.

(ii) If the State intends to use HOME funds for homebuyers, it must state the guidelines for resale or recapture, as required in Sec. 92.254 of this subtitle.

(iii) If the State intends to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under 24 CFR 92.206(b). The guidelines shall describe the conditions under which the State will refinance existing debt. At minimum, the guidelines must:

(A) Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.

(B) Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.

(C) State whether the new investment is being made to maintain current affordable units, create additional affordable units or both.

(D) Specify the required period of affordability, whether it is the minimum 15 years or longer.

(E) Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR Sec. 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.

(F) State HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG."

(iv) If the state will receive funding under the American Dream Downpayment Initiative (ADDI) (see 24 CFR part 92, subpart M), it must include:

(A) A description of the planned use of the ADDI funds;

(B) A plan for conducting targeted outreach to residents and tenants of public and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide downpayment assistance for such residents, tenants, and families; and,

(C) A description of the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers."

Overview

Title II of the National Affordable Housing Act of 1990 (NAHA) created the Home Investment Partnerships Program (HOME), with regulations published at 24 CFR Part 92. New York State was designated by the U.S. Department of Housing and Urban Development (HUD) as a participating jurisdiction in 1992. In 1995, the Housing Trust Fund Corporation (HTFC) was designated to administer the New York State HOME Program. HTFC is a public benefit corporation, created by statute, which acts through a Board of Directors chaired by the Commissioner of the Division of Housing and Community Renewal (DHCR). The HTFC has a memorandum of understanding with DHCR for staff services to provide application reviews, technical services, professional services, and project monitoring to the Corporation on an as-needed basis.

On December 16, 2003, the American Dream Downpayment Initiative (ADDI) was signed into law (Public Law 108-186). The Statute provides funding to eligible HOME-participating jurisdictions to assist low-income families to become first-time homebuyers. ADDI is administered as part of the HOME Investment Partnerships Program.

Strategic Plan Objective, Outcomes and Indicators
New York State's HOME Program funds will be used to support its Strategic Plan objective of decent housing as follows:

Objective: Decent Housing
In an effort to improve affordable housing throughout New York State's communities, the New York State HOME Program will continue to provide funding for construction, rehabilitation, homeownership assistance, and tenant-based rental assistance, to preserve and increase the supply of affordable housing for low-income renters and owners. The following outcomes will be achieved through the HOME Program in 2010:

Outcome: Availability/Accessibility
Increase availability/accessibility while eliminating health and safety hazards, by rehabilitating existing owner-occupied affordable housing.
Objective-outcome category = DH-1

Key Indicator: Total number of Section 215-compliant housing units completed

Outcome: Affordability
Increase affordability by expanding the production of single and multi-family rental and homeownership housing, including workforce housing and senior housing, and by providing purchase assistance and rental assistance.
Objective-outcome category = DH-2

Key Indicator: Total number of Section 215-compliant housing units completed

The HOME Program Action Plan contains the following sections:
- the HOME resources (including program income) and the match and other resources reasonably expected to be available to produce the proposed units
- a description of how the State will distribute program funds, consistent with priorities identified in the Consolidated Plan, including the amount of HOME funds that the State is reserving for Community Housing Development Organizations (CHDOs), and the activities that HOME funds will be used to support
- the resale or recapture guidelines for projects providing assistance to first-time homebuyers
- a description of how HOME funds will be used for tenant-based rental assistance
- the use of HOME funds for refinancing multifamily housing
- information on any form of investment of HOME funds that the State proposes that is not described in the regulations
- a description of the policy and procedures to be followed by the State to meet the requirements for and to administer a minority- and women-owned business outreach program

HOME Program Resources, Other Project Resources and HOME Matching Funds
New York State anticipates an allocation of $38.6 million in new HOME and ADDI funds for FFY 2010. It is assumed that, excluding administrative funds, approximately $35,900,000 million in HOME and ADDI funding will be available to address housing needs for Program Year 2010. In addition,

New York State anticipates receiving approximately $1,000,000 in program income during Program Year 2010.

An additional $4,487,500 in Low-Income Housing Trust Fund Program resources will be available as a match to the HOME funding, to meet the expected match liability that the State will incur during 2010. The Low-Income Housing Trust Fund Program (HTF) provides funding to not-for-profit, for-profit, and certain governmental entities to build or rehabilitate housing for low-income homesteaders, tenants, tenant cooperators, and condominium owners. For the purposes of providing a match for the HOME program, certain projects that qualify as affordable housing and have received a commitment of HTF funds will be designated as "match" projects. An agreement will be executed with each project owner that subjects the project to the qualification requirements, and the State will monitor these projects to ensure that they continue to qualify as match for the required term.

The HOME Program generally attracts substantial private and other public dollars into its funded projects. It is anticipated that the $41.3 million of ADDI, HOME, and Housing Trust Fund matching funds to be invested during the coming year will generate an additional investment of approximately $125 million – more than three dollars for every HOME dollar invested. These funds will come from other State and federal programs, from owner equity contributions, private financing, and other sources.

Activities to be Undertaken with HOME Funds
The HOME Program provides funds: to acquire, construct, or rehabilitate affordable housing; to provide rental assistance; and, for administrative expenses of public entities and not-for-profit organizations that undertake program activities. New York State may also undertake additional activities, where permitted by federal regulation. Assistance may be provided for both rental and homeownership housing. Any activity that qualifies under the HOME Final Rule, sections 24 CFR 92.205-209, may be financed by the State HOME Program, provided it is consistent with the Consolidated Plan and this Action Plan.

Funds provided under the American Dream Downpayment Initiative will be used for down payment assistance. Those funds provided in federal fiscal year 2004 and later may also be used for rehabilitation of units purchased by qualified first-time homebuyers. In most areas of New York State, homes that are suitable for purchase by low-income families require some amount of rehabilitation work and often purchase subsidies in excess of the $10,000 or six percent (6%) of the purchase price as allowed under ADDI regulations.

New York State estimates that these resources will create 1,500 affordable housing opportunities during the program year beginning January 1, 2010. These opportunities will be supported by the expenditure of approximately $34 million in HOME and ADDI funds during Program Year 2010.

Approximately 900 units of existing owner-occupied housing will be rehabilitated, increasing availability of decent housing (DH-1) and approximately 600 units of rental and home-ownership housing will be produced, or provided with purchase assistance subsidies, increasing affordability of decent housing (DH-2). This estimate of housing opportunities to be created is based upon past experience and current commitments made by the State's HOME Program. This takes into consideration existing commitments that are expected to be completed during 2010 and includes only those units to be completed and delivered for occupancy during the program year (but not units committed not yet completed).

The total amount of funding to be invested in assisted housing is based upon past experience. It is anticipated that the per-unit cost of housing rehabilitation and down payment assistance will increase

in 2010 due to increases in acquisition and construction costs. The State reserves the right to revise these projections as additional cost information becomes available.

Methods of Distribution
New York State distributes HOME Program funds through a competitive process called Unified Funding. This system enables applicants to request funds for one (1) or more development and housing assistance programs, including the HOME Program, without the need to submit multiple applications for funding for the same project. The process is automated, so that applicants for some activities can now apply on-line using a "paperless" application. Based on past experience, the State anticipates requests for HOME funds for all eligible activity types, including home ownership, rehabilitation of owner-occupied units, rental housing production and rehabilitation, and tenant-based rental assistance.

HTFC utilizes a competitive process for distributing HOME Program funds. The competitive process was incorporated into the State's Unified Funding Application Process. Funds are distributed in the following manner:

- Fifteen percent (15%) of each federal allocation is reserved for community housing development organizations (CHDOs).
- Eighty percent (80%) of the remaining funds are reserved for projects located within non-participating jurisdictions.
- All remaining funds are distributed on a statewide basis.

Less than eighty percent (80%) of funds remaining after the CHDO set-aside is deducted may be awarded in non-participating jurisdictions, if, after a notice of funding availability and request for proposals, HTFC makes a written finding that (i) eligible, complete, and feasible applications received for projects in non-participating jurisdictions will not totally utilize the remaining available reserved funds; and (ii) such funds are subject to recapture by HUD pursuant to federal HOME regulations within 180 days.

American Dream Downpayment Initiative funds are distributed through the same competitive Unified Funding process. While ADDI funds are not subject to the same restrictions in terms of CHDOs and participating jurisdictions, it is expected that the distribution pattern will be generally the same as the pattern for HOME funds.

Participating jurisdictions may utilize up to ten percent (10%) of each allocation of funds as reimbursement for administrative costs, and up to five percent (5%) of each allocation of funds for CHDO operating expenses. The State reserves the right to utilize these funds as it deems necessary. Funds used for administrative expenses and CHDO operating expenses are not subject to the distribution plan described above.

HTFC cannot predetermine the use of HOME funds by activity or tenure type. The amount of funds allocated for each activity or tenure type will be based on the applications submitted, the competitive criteria described in the next section, and the extent to which proposals are consistent with the priorities identified in this Action Plan.

Applications that will produce a quality housing product that most efficiently provides the greatest number of units for the longest period of time for the lowest-income New Yorkers, and which respond to a strategy to address housing needs will have the greatest likelihood of being funded. Applications that address transitional and permanent housing for the homeless are eligible for HOME funds. HTFC will strive to fund projects in support of the objectives identified in the Strategic Plan section of this document by providing scoring preference for those applications which demonstrate a feasible approach to meeting one (1) or more objectives.

In Program Year 2010, applicants will be strongly encouraged to consider energy conservation in project design, and those applicants that incorporate energy conservation measures or coordinate with the federal Weatherization Assistance Program, which DHCR administers, may receive additional scoring consideration.

HOME Program funds are also an important resource for serving households with special needs. The 2010 request for proposals will encourage applicants to submit proposals that target persons with special needs, including those with physical or mental disabilities and the developmentally disabled.

It is anticipated that HTFC will issue a Notice of Funding Availability prior to the start of the Program Year for Federal Fiscal Year 2010 HOME Program funds and any HOME Program funds from earlier years that are then available to the State.

HTFC HOME Program applications are classified as either: site-specific (capital) projects, to develop rental housing (usually a multifamily building or buildings); or local programs, which provide rehabilitation, homeownership, or rental assistance in an identified program service area.

Site-Specific Projects
HTFC provides HOME funds for acquisition, rehabilitation, and construction for site-specific multi-family rental projects. Projects which will: serve large families (households with five (5) or more persons) by including units with three (3) or more bedrooms; serve certain special populations; follow green building practices, visitability and energy efficiency practices; or, which are submitted under the Mixed Income Family Rental Housing Initiative or the Senior Housing Initiative, will receive selection preference. Projects that will support community revitalization efforts, preserve existing affordable housing resources, or collaborate with other governmental agencies and the development community may also receive selection preference. Specific selection criteria will be included in a Request for Proposals that will be issued subsequent to the Notice of Funding Availability. Awardees that qualify as CHDOs may receive additional funds for operating expenses, subject to non-profit development allowance restrictions. Also, HOME funds-awarded CHDOs which own, sponsor, or develop a project are counted toward the required fifteen percent (15%) of HOME awards to CHDO projects and programs. If HTFC determines that a proposal may be accomplished at a lower cost to the State than proposed, less will be awarded. HTFC does not provide HOME funds as construction financing.

Local Program Administrators (LPA)
HTFC provides funds for units of general local government (state recipients), and not-for-profit corporations and public housing authorities (sub-recipients) to administer single-family purchase assistance, rehabilitation assistance, and tenant-based rental assistance. Collectively, these are referred to as Local Program Administrators, or LPAs. HTFC also provides funding for community housing development organizations (CHDOs) to develop single-family (1-4 unit) home ownership housing.

HTFC generally limits the amount of funds that will be awarded to LPAs. In 2009, this limit was $600,000. Awards for homeownership development, including CHDOs, have also been limited. In past years, these awards were generally limited to $600,000, but HTFC has awarded higher amounts when necessary to meet local needs. Applicants must have successfully administered similar programs in the past and must demonstrate the capacity to utilize the amount of funding requested. HTFC reserves the right to award less than the requested amount. Up to eight percent (8%) of each award will be available to offset the applicant's administrative costs. If HTFC determines a proposal can be accomplished at a lower cost to the state than proposed, less will be awarded.

Local Program Administrators may request HOME funds for the following activities:

Community Renewal Programs: Applicants may request funds for programs that provide moderate rehabilitation or acquisition and rehabilitation of single family (1-4 units) owner-occupied housing as part of a community revitalization strategy or a strategy to provide housing for areas undergoing economic transition. These proposals must demonstrate significant housing and community development needs in the revitalization area, linkages to a well-defined community revitalization strategy, and clear impacts on housing affordability (including energy affordability), accessibility, preservation of historic properties, or traditional, pedestrian-oriented development to support mixed-income and mixed-use communities. Applicants must also demonstrate substantial experience and satisfactory prior performance with the HOME Program.

Applications proposing rental rehabilitation programs that provide assistance for moderate rehabilitation of small (10 units or less) investor owned rental projects must demonstrate that the proposal will support a community revitalization strategy, and meet the criteria described in the preceding paragraph. Local Program applicants may not request funding for rental property that they plan to own upon completion of the project.

CHDO Home Ownership Projects: A minimum of fifteen percent (15%) of available HOME Program funds will be reserved for community housing development organizations (CHDOs). CHDOs applying to develop single family (1-4 unit) home ownership projects to support a community renewal strategy are rated according to the criteria described above, and will receive selection preference. In particular, CHDO projects that will provide additional housing opportunities in community revitalization target areas are encouraged.

CHDO home ownership developers will be subject to additional underwriting requirements but will also be able to access funds for predevelopment expenses. CHDOs that successfully develop new home ownership housing, or acquire, rehabilitate, and sell vacant substandard existing housing to eligible households in a timely manner will be eligible to receive a developer fee based upon the development cost of the proposed project.

CHDO Home Ownership Project applications are subject to the following limitations:

- The proposal must be for new construction or rehabilitation of vacant, substandard, single family housing (1-4 unit buildings).
- The CHDO must obtain project financing, rehabilitate, or construct the dwelling units, and have title to the property during the rehabilitation/construction period. The HOME loan obligation is transferred to an eligible home buyer upon project completion. If the CHDO will not hold title to the property, it must enter into a contractual obligation with another entity, such as a subsidiary organization, that will own the property until it is sold to the homebuyer.
- The proposal must identify a source of construction financing other than HOME Program funds. HOME Program funds may be used only as permanent financing. HTFC will work with CHDOs to identify construction financing.

All CHDO applications to develop rental housing must be submitted using the project application. Please note that technical assistance and seed money are also available for CHDOs.

Homeownership Assistance Programs: Applicants, other than CHDOs, proposing to develop or assist non-targeted single family homeownership (1-4 unit) housing or condominiums for sale to first-time home buyers may also apply for HOME funds. Homeownership programs must include an effective homeownership counseling component to enable assisted buyers to avoid subprime and predatory lending and become successful home owners. Programs that target existing residents of public housing and manufactured housing are encouraged.

American Dream Downpayment Initiative funds received by New York State may be used to partially or fully fund some home ownership program applications.

Non-targeted single family rehabilitation and tenant-based rental assistance (TBRA): Applications will continue to be accepted for these activities. Those applications targeting special needs populations, or meeting a specific identified need, such as lead hazard control, energy conservation, or increased accessibility for physically disabled households, will receive priority. All rehabilitations and TBRA programs must also meet HTFC property standards. Applicants proposing to assist occupants of substandard manufactured housing units will be required to describe and follow a strategy for mobile home replacement.

Geographic Distribution
All projects and programs will be selected by a competitive process. The ultimate geographic distribution of assistance cannot be predicted. Funds may be awarded in any part of the State, including Native American reservations.

Competitive Application Process
All HOME and ADDI funds will be distributed competitively, according to the distribution plan described above, with HTFC as the administering agency. Eligible applicants must submit applications that will be reviewed and competitively ranked according to the criteria set forth below.

The competitive application process is initiated by a Notice of Funding Availability. Applicants are required to provide documentation needed to determine project feasibility and marketability, including:

- a feasibility study and market analysis of the proposal
- a proposed project development financing plan, project operating budget, and leveraging plan
- a schedule, with specific dates, of the expected project commencement date, expected completion date, and if appropriate, the anticipated schedule for closing and occupancy of units
- a description of the applicant's and development team's qualifications and previous experience
- a statement by the applicant as to the status of all public approvals and clearances required to undertake the project
- a plan as to how applicants will ensure compliance with all federally mandated regulations throughout the regulatory term
- a statement describing the amount and source of any matching contributions required for the proposed project
- a statement of need and how the project will further goals set forth within the State Consolidated Plan and any local consolidated plan or other development plan
- a plan describing how the applicant will comply with HTFC's requirements for visitability, and the Green Building, Energy Efficiency, and Health and Safety Initiatives

Complete and eligible project applications are rated using the following criteria:

- the extent to which the proposal will meet demonstrated community impact and revitalization objectives and is consistent with a part of an adopted strategy for meeting those objectives
- the extent to which the proposal is targeted to very-low income households or will serve a mix of incomes or special populations, and the affordability of the proposed rents
- the degree to which the proposal leverages private investment or other funding sources
- project readiness, status of financing, public approvals, applicant experience, and other factors that impact the likelihood of project completion
- whether the project meets certain energy efficiency criteria, green building, and visitability criteria
- the extent to which units are set aside for persons with special needs and services are provided to those persons by the project or a separate service provider

Complete and eligible local program and CHDO homeownership applications are rated using the following criteria:

- the extent to which the proposal will meet demonstrated community needs and is consistent with an adopted strategy for meeting those needs
- the extent to which the proposal is targeted to very-low income households and special needs populations
- the extent to which the project incorporates practices intended to increase energy efficiency, provide accessibility to persons with disabilities, improve occupant health and safety, or promote community revitalization
- the applicant's capacity and prior experience

Eligible applicants who are selected to receive HOME funds for tenant-based rental assistance, rehabilitation of owner-occupied properties, homebuyer assistance projects, and rehabilitation of investor-owned rental properties that generally have four (4) or fewer units, will be designated as State recipients or sub-recipients. Applicants who are selected to receive funding for first-time homebuyer activities (including downpayment assistance and related rehabilitation) may receive ADDI funding, HOME funding, or both. State recipients and sub-recipients may be permitted to set up projects and access project status on the Integrated Disbursement and Information System (IDIS).

Funding of Projects Located in Participating Jurisdictions
HTFC anticipates that some HOME funds and some ADDI funds may be used for eligible activities that are located in participating jurisdictions. In that event, HTFC will work with the participating jurisdiction to ensure coordination of effort and will require project sponsors to coordinate efforts with participating jurisdictions where applicable.

In accordance with State policy, the State of New York will not transfer any HOME funds to any other jurisdiction in order for that jurisdiction to meet the threshold for designation as a participating jurisdiction. Also, it is against State policy to directly fund participating jurisdictions that apply for State HOME funds, although projects located in participating jurisdictions that are sponsored by other entities may be funded, according to the guidelines described above.

Community Housing Development Organizations (CHDOs)
The State will reserve a minimum of fifteen percent (15%) of the total amount of HOME funds that it receives for CHDOs, in accordance with provisions of the National Affordable Housing Act of 1990. CHDOs apply to the State to develop, sponsor, or own projects, and will be eligible to undertake any eligible activity in accordance with 24 CFR Part 92 Subpart G (Community Housing Development Organizations).

HTFC will, as part of the competitive application process, issue a NOFA that will encourage participation by CHDOs. Due to the extensive network of not-for-profit housing providers in the State, HTFC anticipates that the actual participation of CHDOs may exceed fifteen percent (15%) of total HOME funds.

For an organization to be considered a CHDO, it must be certified by the State of New York. The organization must submit for review certain information (organizational documents, financial documents, etc.) as prescribed by HOME regulations. After a CHDO is found to meet qualifying criteria, it is notified of its approval as a CHDO by the State. New York State does not accept certifications of other participating jurisdictions.

New York State conducts an extensive program of outreach and technical assistance to CHDOs and other partners. DHCR staff, consultants made available by means of technical assistance funds available to the State, and not-for-profit intermediaries designated by HUD are all involved in the

provision of technical assistance to CHDOs and potential CHDOs. Each year, prior to the due date for applications for the HOME program, program workshops are conducted at locations throughout the State. During the year, smaller seminars and clinics are held that focus on particular topics related to the HOME program. DHCR Regional Office staff maintain frequent contact with CHDOs, and when it is determined that a group may benefit from individual technical assistance (either from DHCR staff, a consultant, or a not-for-profit intermediary), appropriate referrals are made. The State intends to continue these efforts in the future, to the extent that available resources permit.

Additional project-specific assistance may be made available to CHDOs in the form of technical assistance, site control loans, and seed money loans, in accordance with 24 CFR Part 92 Subpart G (Community Housing Development Organizations). The State will also work with the HUD-designated not-for-profit intermediary organizations to promote CHDO participation.

Home Buyer Resale/Recapture Provisions
When HOME or ADDI funds are used to assist a household in the purchase of a unit, restrictions will be placed on the unit to ensure compliance with the resale and recapture requirements described in 24 CFR 92.254(a)(5). This section sets forth methods that will be used by HTFC to enforce these requirements.

Homeownership projects undertaken by a State recipient or sub-recipient will be secured by means of a note and mortgage given to the State recipient or sub-recipient by the low-income household being assisted. The period of affordability specified in the mortgage will be the minimum period for the project as specified in 24 CFR 92.254(a), sections (4) and (5), unless a longer period is imposed. The form of the note and mortgage is provided to State recipients and sub-recipients by HTFC.

The note and mortgage permits reduction of the amount of HOME or ADDI funds subject to recapture on a pro rata basis during the affordability period. It also allows for a method where any net proceeds from the sale are shared proportionally between the owner and the State recipient or sub-recipient. If the housing does not continue to be the principal residence of the assisted household, due to sale, foreclosure, or any other event, the note and mortgage will require repayment of the amount of HOME/ADDI funds subject to recapture at the time the event occurred. The amount of HOME/ADDI funds subject to recapture will be a share of the net proceeds (sale price minus loan repayments and closing costs) available to the project following the sale or transfer of the property. Where there are no net proceeds, or where the net proceeds are insufficient to repay the amount of HOME/ADDI assistance that is otherwise due, the amount subject to recapture will be calculated by multiplying the net proceeds by the percentage of total equity represented by the HOME/ADDI funds, where total equity is defined as the amount invested by the owner (down payment and capital investments made since purchase) plus the HOME/ADDI investment. HOME funds used as a development subsidy instead of for home buyer assistance will not be subject to recapture.

HTFC will permit recaptured funds and program income earned by a State recipient or sub-recipient to be used to assist additional units, upon prior notification and approval by HTFC. If the State recipient or sub-recipient no longer has an open contract with HTFC, or is unable to utilize the repayment or program income to assist additional projects, the funding will be returned to HTFC for reallocation to other State recipients or sub-recipients in accordance with the method of distribution of funds described elsewhere in this Plan.

When HOME Program funds are used for development of homeownership housing, as in CHDO home ownership projects, resale restrictions may be used instead of recapture restrictions described above. Resale restrictions will ensure that housing assisted with HOME funds is made available for resale only to low-income households. Resale provisions will be enforced by means of a deed restriction unless the project is located in an area that meets the conditions described in 92.254(a)(5)(i)(B). Generally, resale restrictions will be used when HOME funds are invested in a

larger homeownership development, a condominium or cooperative project, or where a substantial per-unit investment of subsidy is provided.

In other cases, homeownership development will be secured by the recapture provisions described above. For home ownership projects developed by CHDOs that are secured by recapture provisions, the note and mortgage will be held by HTFC.

For multi-family rental projects, a regulatory agreement and mortgage are recorded against the title of each property assisted with HOME funds. The regulatory agreement is enforceable through the mortgage in the event of default by recourse to the project for non-compliance with any statutory or regulatory requirements, including any unauthorized resale or refinancing of a project.

ADDI Provisions
Program administrators requesting funding for first-time home buyer programs, which may be funded with ADDI funds, will be required to provide a plan for targeted outreach to tenants of public housing and other families assisted by public housing agencies, and to manufactured housing occupants, to ensure that such households in the local area are aware of the first-time home buyer program. Suitability to undertake and maintain homeownership will be addressed by requiring all first-time home buyer program administrators to provide housing counseling to participating home buyers.

Tenant-based Rental Assistance
Applicants proposing tenant-based rental assistance projects are required to submit an administrative plan that demonstrates how the applicant will comply with the regulations at 24 CFR 92.211 (Tenant-based Rental Assistance).

Administrative plans that are submitted for tenant-based rental assistance projects must contain evidence that the applicant will comply with the statute and regulations, and must also include the following elements:

- a certification that tenant-based rental assistance meets a need described in the Consolidated Plan, and a description of the local market conditions that justify the need for tenant-based rental assistance in accordance with 24 CFR 92.209
- the method of selection of, or coordination with, a local public housing agency (PHA), including a copy of a memorandum of understanding between the project sponsor and the PHA, procedures for annual income and rent payment determinations, and evidence that a secure source of administrative funding will be available to the applicant for the duration of the rental assistance;
- sample rental assistance contracts
- a sample lease, with the provisions contained in 24 CFR 92.253 (Tenant and Participant Protections)
- the proposed means for determining rent reasonableness
- the proposed subsidy levels, tenant contribution requirements, and rent standards
- copies of applicable utility allowance schedules
- a plan for ensuring compliance with housing quality standards
- a plan for ensuring that no assisted families will be displaced due to the expiration of the rental assistance subsidy

Term of Rental Assistance Contracts
Project sponsors will be required to make rental assistance available for a term that shall not exceed 24 months.

Rental Assistance Certification
In accordance with the requirements of 24 CFR 92.209(b) regarding tenant-based rental assistance, the State certifies that the use of HOME funds for tenant-based rental assistance is an essential

element of its ConPlan, which includes, as one of its strategic objectives, "increase the ability of New Yorkers to access rental housing."

The State will require any applicant who intends to use HOME funds for tenant–based rental assistance to document the local market conditions that will lead to the choice of this option prior to allocating the HOME funds for rental assistance.

Other Forms of Investment
The State will permit HOME funds to be invested as loans, grants, deferred payment loans, and other types of investment permitted by the regulations in housing rented or owned (held in fee-simple title) by eligible households, or multi-family rental, condominium or cooperative projects developed for occupancy by eligible households. Replacement of existing manufactured housing units with manufactured housing shall be considered Rehabilitation for the purposes of the State HOME Program. Replacement of existing manufactured housing units with any other newly constructed housing shall be considered Homeownership Assistance for the purposes of the State HOME Program.

Any applicant who proposes to use any other form of investment not described in 24 CFR 205(b) (Forms of Investment) must include a description of the form of investment, justification for the need for the form of investment, and a description of the proposed means of securing the investment, if any, in the application that is submitted to HTFC. HTFC will not permit other forms of investment without the prior approval of HUD.

Refinancing Existing Debt
The use of HOME funds to refinance existing debt secured by multifamily housing is eligible only when HOME funds are loaned to rehabilitate a project, and refinancing is necessary to permit or continue affordability. When HOME funds are utilized for this purpose, a minimum of $6,000 per unit must be invested. The project sponsor must clearly demonstrate that disinvestment in the property has not occurred; the long term needs of the project can be met; and that the targeted population can be served over the extended affordability period. HOME funds will be available to maintain current units and/or create additional units. All units assisted with HOME funds will have an affordability period of no less than 15 years or no more than the maximum term of the original contract. Investment of HOME funds will be jurisdiction-wide, and under no circumstances will they be used to refinance multifamily loans made or insured by any federal program, including CDBG.

Fair Housing and Equal Opportunity
Pursuant to the State's responsibility to affirmatively further fair housing, as set out in the Consolidated Plan and consistent with the requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act, HTFC is responsible for ensuring that the marketing of housing construction funded by awards from the HTFC is accomplished in a fair and equal opportunity manner.

All awardees of state funding and federal assistance are required to comply with state and federal laws concerning equal opportunity and fair housing in the sale and rental of their projects. The Fair Housing Act, as amended in 1988, prohibits discrimination in the sale or rental of housing on the basis of race, color, religion, sex, disability, familial status, and national origin. Section 504 of the Federal Rehabilitation Act of 1973, prohibits discrimination in the sale or rental of housing on the basis of disability in programs receiving federal financial assistance.

All awardees are required to submit an affirmative marketing plan to HTFC which describes the marketing strategy that will be used to comply with the policies and statutes described above. The HTFC ensures through a comprehensive review process that awardees' marketing plans for HOME awards comply with the relevant state and federal statutes concerning equal opportunity and accessibility.

The awardees' marketing plans must set forth how the project will be marketed and rented, so that the "least likely to apply" population, including those in the disabled community, have an equal opportunity for housing. An emphasis has been added to the process to ensure that persons with special needs have an equal opportunity for notice and application for the housing.

Awardees are also required to collect data on affirmative marketing efforts to ensure long-term

HTFC will assist awardees, as needed, with affirmative marketing efforts and related matters. In addition, DHCR provides technical assistance and training to awardees and potential awardees of HOME funds concerning relevant issues and requirements of fair housing.

HTFC will require project sponsors who receive HOME funds to fully comply with all federal and state fair housing laws, including the Fair Housing Act of 1968, as amended, the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the New York State Human Rights Law, and applicable provisions of the New York State Private Housing Finance Law. In accordance with 24 CFR 92.351, HTFC adopted the following affirmative marketing procedures:

- Each applicant for funds, project sponsor, or owner will be informed of these policies and applicable state and federal laws and will be required to make this information available to the public and potential tenants.
- Project sponsors and owners will be required to make all reasonable efforts to affirmatively market units assisted with HOME funds that are located in projects consisting of four (4) or more units. A lien will be placed on each rental property assisted with HOME funds that will ensure compliance with these requirements.
- Project sponsors and owners must make all reasonable efforts to inform persons not likely to apply for housing without special outreach, including placement of advertising in publications that are distributed in minority or isolated communities, outreach through community-based organizations, and other direct outreach efforts.
- HTFC will maintain records to document outreach efforts and, where applicable, will require project sponsors to maintain such records, in accordance with the regulations and the above procedures.
- HTFC will assess the effectiveness of affirmative marketing efforts through periodic monitoring reviews and annual reports that each project sponsor will be required to submit.

In the event that HTFC determines that a recipient of HOME funds is not in compliance with the affirmative marketing requirements, the recipient will be given an opportunity to demonstrate, within a prescribed time limit, and on the basis of substantial facts and data, that it will take, or has taken, actions to comply with the requirement. If, in the opinion of HTFC, the recipient has failed to comply after the time period has expired, HTFC will impose corrective actions and sanctions, including recapturing unexpended HOME funds and requiring repayment of expended funds.

Minority- and Women-Owned Business Program

The HTFC is responsible for carrying out the mandates of Article 15-A of the Executive Law. Article 15-A of the Executive Law is the statute governing the award of contracts by State agencies and authorities to women- and minority-owned businesses. The New York State Empire State Development Corporation's (ESDC) Division of Minority and Women Business Development has overall statewide responsibility for overseeing State agencies and authorities in the administration of programs to assist minority- and women-owned business enterprises (M/WBE) in obtaining State awarded contracts. The New York State Department of Economic Development (DED) has promulgated rules and regulations for carrying out this program. These rules and regulations govern the HTFC's M/WBE program.

A directory of State-certified M/WBE firms has been created and is maintained by ESDC. DHCR staff assists State development awardees in contracting with State-certified M/WBE to meet specific project goals designed to include minority- and women-owned businesses in the construction and procurement process. The use of certified M/WBE is encouraged on all projects and in the purchase of goods and services.

Awardees for State funding are required to submit utilization plans which document their intent to subcontract with and/or procure goods and services from M/WBE. In addition, all awardees are required to meet project-specific goals set by HTFC for contracting with State-certified M/WBE. Proof of payment to M/WBE is also required once project goals have been assigned. Contract compliance records consistent with Article 15-A requirements are maintained by the HTFC. The HTFC is also required to report data quarterly to ESDC concerning the goal achievement.

The HTFC conducts workshops for awardees, attends project planning meetings to monitor program compliance, offers technical assistance to awardees, and continuously endeavors to develop and streamline the process.

Ongoing efforts of the M/WBE compliance program will include:

- work with all staff including awardees and in-house staff involved in the contract process to discover innovative ways to increase M/WBE participation
- maintain current databases and spreadsheets to expedite reporting requirements and generate appropriate results
- continue to establish appropriate goals for M/WBE participation
- provide training to regional staff, awardees, contractors and project sponsors at regular intervals or as needed to communicate changes and/or updates

All HOME project awardees will be required to utilize local print media in their minority- and women-owned business utilization efforts and to take actions to facilitate local procurement opportunities.

The HTFC also conducts workshops and offers technical assistance for the Section 3 Program, which applies to all recipients of housing and community development assistance in excess of $200,000 and sub-contracts in excess of $100,000 awarded in connection with Section 3 covered activities. The HTFC has developed and disseminated the "Guide to Local Resources – Section 3 Initiative."

Monitoring

The State of New York has implemented two (2) different monitoring procedures for HOME projects and programs, based upon whether the recipient of funding is applying to the State as a project sponsor or as a local administrator. HTFC is responsible for monitoring awards made with federal HOME funds allocated to New York State.

- **Monitoring Multifamily Rental Projects**

  The following briefly describes the procedures employed by DHCR/HTFC to monitor sponsors who are awarded HOME funds to develop multifamily rental projects.

  - **Selection** – DHCR/HTFC reviews funding applications to ensure compliance with the statutory provisions regarding: project eligibility; fiscal and development/management capability; proposed tenancy of assisted projects; undertaking of affirmative fair housing, equal opportunity, drug-free environment, and other requirements applicable under the National Affordable Housing Act (NAHA); housing quality, lead-based paint standards, and the New York State Building Code compliance; federal and State environmental review; and prior audit history.

  - **Construction Monitoring** – DHCR/HTFC monitoring includes the review and approval of: the schedule of values; disbursement requests for payment of construction draws on the construction amount of the project award; change orders; retainage amounts for unfinished work; and periodic inspection of the construction activity and appropriate follow-up. Upon completion, documentation of compliance with new construction and

rehabilitation standards described in the DHCR/HTFC Design Handbook, and with applicable building codes, is assembled for each project.

- **Post-construction Monitoring** – Includes the annual review of affirmative marketing guidelines under 24 CFR 92.351(a). Implementation of affirmative marketing plans is reviewed through a series of interview or survey questions regarding tenant selection procedures, the waiting list, advertising, and the composition of the project. If the review occurs as part of a site visit, files are also reviewed.

- **Pre-occupancy Meeting** – The State monitors HOME multifamily rental projects through DHCR's Office of Housing Management (OHM), beginning with a pre-occupancy meeting approximately 90 days before rent-up. All HOME requirements are covered, and the developer/manager is provided with the DHCR Capital Programs Manual and HUD Fair Housing Booklet. The approved project affirmative marketing plan is discussed, focusing on tenant selection procedures and the waiting list to ensure compliance with 24 CFR 92.351(a).

- **Post-construction Monitoring** – HOME rental projects are subject to periodic on-site visits and desk audits to ensure ongoing compliance with HOME regulations involving tenant selection and income eligibility, rents charged, housing quality, file maintenance and financial reporting. These monitoring activities are performed by State agency employees who periodically visit the project management offices, review tenant files and application logs, sample financial records, and inspect units to verify compliance with housing quality standards as a minimum level of habitability.

  A regulatory instrument is recorded against the title to the real property for each project. It is enforceable in the event of default by recourse to the project for noncompliance with statutory or regulatory requirements, including any unapproved proposed resale or refinancing of the project.

  DHCR/HTFC's audit policy is substantially equivalent to the 24 CFR Part 84 requirements identified for HOME funded not-for-profits. Public entities are subject to federal single-audit requirements and the related cost policies and compliance supplements and are expected to submit a copy of that audit to DHCR/HTFC. In addition, there may be certain items that pertain to non-federal funds granted by DHCR, as required.

- **Monitoring Local Program Administrators**
  DHCR/HTFC has implemented monitoring standards and procedures required for monitoring local administrators, including both local governments (State Recipients) and not-for-profit organizations (Sub-recipients) selected to administer HOME local programs. Each local program administrator with an active program is monitored annually for compliance with federal program requirements and with the terms of the contract with HTFC. This monitoring may take the form of either a desk audit or an on-site review. State Recipient and Sub-recipient administrative plans are also reviewed closely during the project selection phase to ensure capacity to comply with program requirements.
  - **Selection**
    DHCR/HTFC reviews funding applications to ensure compliance with the statutory provisions regarding: project eligibility; fiscal and development/management capability; proposed tenancy of assisted projects; undertaking of affirmative fair housing, equal opportunity, drug-free environment, and other requirements applicable under NAHA; housing quality, lead-based paint standards, and the New York State Building Code compliance; federal and State environmental review; and prior audit history.

- **Project Desk Audits**
  These serve to verify the accuracy of HUD's Integrated Disbursement and Information System (IDIS). In-house monitoring regularly involves the use of IDIS and the Statewide Housing Activity Reporting System (SHARS) reports and telephone communication with project recipient staff. The IDIS and SHARS reports are used to track performance in the following areas: production (commitment to specific projects and funds expended for completed units); regulatory compliance (income group targeting, tenant assistance, unit affordability, matching requirements); performance in meeting federal- and State-identified goals and targets; trends in committing and completing projects; tenant characteristics; project selection characteristics; and leveraging of public and private funds. Generally, program administrator performance is reviewed on a monthly basis.

- **Program Implementation Monitoring**
  HTFC's "Monitoring Guide for State Recipients and Sub-recipients" is provided to all recipients to explain program monitoring requirements. The guide covers all relevant regulatory requirements, includes site inspection forms and checklists for staff, and includes guidance for recipients to understand how staff implement monitoring procedures and how they can set up files and establish program operating procedures to ensure full compliance.

- **Post-Completion Monitoring**
  Post-completion monitoring of local programs is limited in scope. For home buyer and owner rehabilitation programs, there is no scheduled ongoing monitoring because the resale requirements are self-enforcing through the recorded note and mortgage documents. For tenant-based rental assistance, the programs are only active for two (2) years (during which the recipients are monitored using the guides as indicated above), and then are closed out. Only a locally-administered rental rehabilitation program would have ongoing occupancy compliance issues that would require more extensive ongoing monitoring.

  In such cases, DHCR/HTFC will review selected tenant and project files to ensure that tenant selection, tenant certification, and unit inspection activities have been undertaken consistent with the sub-recipient's administrative plan and HOME regulations. DHCR also surveys recipients who have undertaken rental rehabilitation programs to collect information on recipients' monitoring activities.

- **On-site Monitoring**
  DHCR staff monitors locally-administered programs for both fiscal and programmatic compliance. Periodic site visits are conducted by regional office staff. In addition to examinations of program and project records for statutory and regulatory compliance, staff visit several project sites to ensure that work is being completed as reported, and in compliance with HQS and applicable codes. Staff also provide technical assistance on the day-to-day operation of the program, and examine the integration of the program with overall State goals, (including how the program addresses community needs), any barriers to operation, and ways the program could become more effective.

- **Other Monitoring of Local Administrators**
  Routine processing of setup reports, disbursement requests, and other paperwork submitted to HTFC provides additional opportunities to monitor program activities. Requests for reimbursement are examined to ensure that only reimbursement for approved program expenditures is being sought. If a program report does not accompany the voucher or if information submitted is problematic, the voucher is returned to the local administrator. Finally, local program administrators are required to

report to HTFC annually. These reports capture information relating to program start-up and implementation, funds expended, minority participation, and certain other matters.

Section 91.320(k)(3) Emergency Shelter Grants (ESG) Program

"The State shall identify the process for awarding grants to State recipients and a description of how the State intends to make its allocation available to units of local government and nonprofit organizations (including community and faith-based organizations."

Overview

The New York State Office of Temporary and Disability Assistance (OTDA) administers the Emergency Shelter Grants (ESG) Program for New York State and coordinates activities to enhance the quality and quantity of homeless facilities and services for homeless individuals and families.

Strategic Plan Objectives, Outcomes and Indicators

In its February 2008 Request for Proposals (RFP), the New York State Office of Temporary and Disability Assistance (OTDA) determined that funds awarded under the ESG program could be used to address the suitable living environment and the provision of decent housing objectives of the State's Strategic Plan. The 2010 Program Year will continue those objectives and projects a total of approximately 26,713 individuals will be served as follows:

Objective: Decent Housing

To provide decent housing for individuals and families at-risk of homelessness, the New York State Emergency Shelter Grants Program will continue to fund and administer homelessness prevention activities, as well as related services to alleviate potential homelessness and provide low-income households with the support services necessary to build housing stability. The following outcome will be achieved through the ESG program in 2010:

Outcome: Increase Availability/Accessibility

Increase availability/accessibility by developing and implementing homelessness prevention activities including, but not limited to, legal services, mediation programs, and short-term subsidies, for individuals and families at-risk of homelessness.

Objective-outcome category = DH-1 (see HUD Table 3C for ESG on page 34)

Key Indicator: Number of individuals or families at risk of homelessness receiving homelessness prevention services. It is estimated that 1,377 individuals will be served.

Objective: Suitable Living Environment

To provide a suitable living environment for homeless individuals and families, the New York State Emergency Shelter Grants Program will continue to fund and administer a wide range of emergency and transitional shelter programs for homeless persons, as well as related services to alleviate homelessness and provide low-income households with the support services necessary to build self-sufficiency. The following outcomes will be achieved through the ESG Program in 2010:

Outcome: Increase Availability/Accessibility

Increase availability/accessibility by providing essential services to the homeless including, but not limited to, employment, physical health, mental health, substance abuse, and educational services.

Objective-outcome category = SL-1

Key Indicator: Number of individuals or families receiving essential services. It is estimated that approximately 13,292 individuals will be served.

Outcome: Increase Availability/Accessibility
Increase availability/accessibility by funding shelter maintenance and operating costs (rent, repairs, security, fuel, equipment, insurance, utilities, food, and furnishings, etc).
Objective-outcome category = SL-1

Key Indicator: Number of individuals or families receiving shelter services from a program provided with maintenance and operation funding. It is estimated that 12,044 individuals will be served.

HUD Table 3C (Optional)			
Annual Action Plan 2010 ESG Program Planned Project Results			
Objective-Outcome Category*	**Performance Indicator**	**Expected Number of Individuals**	**Activity Description**
DH-1	Total Individuals Served	1,377	Homelessness Prevention
SL-1	Total Individuals Served	13,292	Essential Services
SL-1	Total Individuals Served	12,044	Maintenance and Operations

Objective-Outcome Categories

Objective ↓ / Outcome →		Availability/Accessibility 1	Affordability 2	Sustainability 3
Decent Housing	DH	DH-1	DH-2	DH-3
Suitable Living Environment	SL	SL-1	SL-2	SL-3
Economic Opportunity	EO	EO-1	EO-2	EO-3

Resources
During calendar year 2010, the period covered by this Action Plan, approximately $3,277,009 will be used to support ESG activities. After deducting the State's 5 percent administrative share ($163,850), a total of $3,113,159 will be allocated to contracts, which will be required to provide an equal amount in match in support of program activities. Therefore, the total value of 2010 ESG contracts will be $6,226,318.

New York State once again requests a one-year waiver of the thirty percent (30%) limitation on essential services expenditures.

ESG Program Matching Funds
Grantees funded under the State's ESG Program must provide matching funds from other sources in an amount equal to their grant. These other sources may include in-kind contributions, local share funding, or a combination of both. Funds used to match a previous ESG grant may not be used to match a subsequent grant award. In addition, funds awarded must not supplant existing funds used for ongoing activities. Grantees must demonstrate clearly that funds will be used to develop new programs or enhance/continue those in existence.

In addition to the ESG Program, OTDA also administers several programs designed to alleviate homelessness and provide low-income households support services necessary to build self-sufficiency. These programs include:

- Homeless Housing and Assistance Program (HHAP)
- Single Room Occupancy Support Services Program (SRO)
- Homelessness Intervention Program (HIP)
- Supported Housing for Families and Young Adults Program (SHFYA)
- Supplemental Homelessness Intervention Program (SHIP)
- Housing Opportunities for Persons With AIDS Program (HOPWA)
- Operational Support for AIDS Housing Program (OSAH)
- Family Shelter Program
- Emergency Assistance Re-housing/Rent Supplement Program
- Preventive Housing Subsidy Program
- Negotiated Rates Program
- Emergency Shelter Allowance for Persons with AIDS

Activities – Priority Needs

OTDA has taken full advantage of the flexibility of the ESG Program to fund a wide range of services which address critical gaps in the housing continuum of care across New York State. In 2010, as in past years, the State will fund an array of projects designed to strengthen this continuum.

Funded projects will support the continuum of care, as follows:

- **Outreach and Assessment –** street outreach programs, mobile outreach vans, food pantries and soup kitchens (with outreach components), storefront operations, etc.
- **Emergency Services -** food pantries, soup kitchens, day drop-in centers, emergency shelters, overnight accommodations, drop-in medical care, short-term cash assistance for utilities, rent, etc.
- **Transitional Housing –** transitional housing programs, homeless re-housing assistance, post relocation services, support services, etc.
- **Permanent Housing –** legal interventions to prevent evictions, advocacy for entitlement benefits, cash assistance for security deposits, and support services in permanent housing programs, etc.

For Program Year 2010, ESG funds will be distributed among eligible service categories as follows:

- Essential Services 56%
- Homelessness Prevention 11%
- Maintenance and Operation 28%
- Renovation/Rehabilitation 0%
- Administration 5%

As discussed in the Needs Assessment section of the 2006-2010 Consolidated Plan, when selecting proposals for funding, OTDA gave special priority to projects that would fill identified gaps in the continuum of care in various regions of the State. Projects were also selected that demonstrated an ability to expend ESG funds within the contract period. Finally, a special priority was given to applications that would provide supports and services to projects funded under the Homeless Housing and Assistance Program (HHAP), New York State's capital development program for homeless housing.

Methods of Distribution

Since the start of its ESG Program, OTDA has distributed its funds through a biannual competitive bid process. A competitive Request for Proposals (RFP) under the ESG Program is issued by OTDA soliciting proposals from not-for-profit organizations.

ODTA subjects all proposals received in response to an RFP to a rigorous review and selection process. Proposals selected for funding receive contracts for a two (2) year contract cycle to be funded annually for one year periods depending upon the availability of continued ESG funding, satisfactory performance, and the discretion of OTDA. Contracts may be continued for an additional twelve (12) month period via contract term and/or a contract renewal agreement, provided appropriations are available and performance in each year is satisfactory (as determined by OTDA). In the renewal year, the contracting organizations are not required to respond to an RFP. Instead, the contracts are renewed, based on submission of appropriate renewal documents and satisfactory performance. Satisfactory performance is determined by means of an ongoing contract monitoring process, as well as self-evaluations completed by the contractors at the end of the contract term.

In February 2008, OTDA issued an ESG Request for Proposals (RFP). In response, 77 applications were received requesting nearly $8.7 million. Proposals were selected for funding in the summer of 2008, for a two-year contract term. The 2010 Action Plan will support activities for the second year of operations.

During 2010, New York State anticipates that approximately 26,713 individuals will benefit from activities funded by the ESG program.

The following are the criteria used to evaluate and select proposals for funding under New York State's ESG Program:

- applicant agency must meet all State and federal requirements as a threshold criteria for an award
- demonstration of need within the proposed project area for the type of housing and/or services proposed
- the appropriateness and quality of the site, the design and support services proposed for the population to be served
- evidence of the applicant's ability to develop the proposed project, expend all funds within the required time-frames, and to operate the project over the required contract period
- evidence of the applicant's ability to provide, either directly or through referral, the appropriate support services
- the appropriateness of plans for participant selection and the consistency of these plans within the intent of the ESG Program
- the reasonableness of the total project cost and the ESG Program amount requested, and the eligibility of proposed expenditures
- evidence that matching funds are firmly committed and available for obligation and expenditure
- evidence that the applicant has approval for its proposed program from the local Department of Social Services
- evidence that the focus of the project is on enabling participants to achieve the highest level of self-sufficiency possible
- evidence of the financial feasibility of the project over the required operating period
- the appropriateness of the qualifications and backgrounds of the personnel and staff to be assigned to the project

Priority was awarded to:

- proposals that enable homeless individuals to have access to safe and sanitary shelter, and enable homeless individuals to receive supportive services in a safe and sanitary shelter
- projects that demonstrate accessibility for persons with disabilities and conform with the ADA Title III requirements
- projects that demonstrate the provision of materials in alternative formats for persons with disabilities as required by the ADA (i.e. Braille, audio recording)

- projects that provide Welfare to Work activities
- projects that have been developed with New York State capital funds and are deemed competitive and meet all eligibility criteria

OTDA has consistently sought to allocate its ESG funds equitably to all parts of the State that have identified gaps in the emergency housing continuum for homeless individuals and their families. New York State's ability to fill these gaps is, however, limited by the availability of funds and by the number and type of proposals received in response to the RFP. Through the RFP issued in February 2008, ESG funds were made available statewide.

OTDA places priority on geographic areas demonstrating an urgent need for funding. In the past, approximately twenty-nine percent (29%) of the annual allocation has been awarded to projects in New York City. During 2010, approximately thirty-one percent (31%) of the funding will be committed to New York City, five percent (5%) to downstate suburban counties (Westchester, Nassau, and Suffolk), and sixty-four percent (64%) to counties elsewhere in the State. This allocation is consistent with ESG's most recent years of funding and may be representative of an increase in requests for funds from areas outside of the metropolitan area as they become more aware of funding opportunities. It may also be because a greater amount of ESG funds is already committed to these more densely populated geographical areas through direct entitlement grants.

Program Monitoring and Report Requirements

Periodically, recipients of ESG funds are invited to attend a one-day meeting to discuss the program and contract requirements, including reporting and vouchering. Copies of all applicable federal rules and regulations are distributed along with material developed by OTDA to assist groups with the vouchering and reporting process. These sessions, conducted regionally by the program coordinator, have been well received in the past. Major improvements in the contractor's adherence to the program requirements have been observed since this activity was initiated.

All ESG contracts entered into by OTDA are subject to on-going monitoring throughout the term of the contract. The primary methods of monitoring include:

- review of quarterly reports (due two (2) weeks after the end of each quarter)
- review of final reports (due thirty (30) days after the expiration of the contract)
- periodic site visits, including review of randomly-selected case files
- on-going telephone contact with program staff

Grantees must ensure that books, records, documents, and other evidence pertaining to costs and expenses under the grant are maintained to reflect all costs of materials, equipment, supplies, services, building costs, and all other costs and expenses for which reimbursement is claimed or payment is made. All expenditures are reported on an accrual basis.

OTDA has direct access to any records relevant to the project, including books, documents, photographs, correspondence and records to make an audit, examinations, transcripts, and excerpts. All records pertaining to the grant including financial audits, budget, plans/drafts, supporting documents, statistical records, etc., are retained for a period of at least four (4) years following submission of the final expenditure report. In the event that any claim, audit, litigation, or state/federal investigation is started before the expiration of the record retention period, the records are retained by the grantee until all claims or findings are resolved.

The contractual agreement requires grantees to submit quarterly and final reports. Quarterly reports describe a project's progress during the quarter through a detailed narrative describing contract activities and the results achieved. Guidelines or criteria, which new grantees developed for eligibility and participation selection, are also appended to the first quarterly report. Significant obstacles or problems in carrying out the contractual obligations are identified, along with plans to overcome these

obstacles. Changes in contract staffing are addressed and resumes provided for new staff. To meet HUD reporting requirements, statistical data is also reported to track the type of activity carried out, and the number of individuals and families assisted, including data on the racial/ethnic characteristics of the participants. Other related data that are required by the Integrated Disbursement and Information System (IDIS) are also collected.

Final reports verify fulfillment of all contractual requirements and tabulate final demographic data on the program participants. They also trigger final reimbursement for contractual activities. The narrative follows the basic format established for quarterly reports, but emphasizes final outcomes. As outlined in the contract, a percentage of the grant award is withheld until the final report is received and approved. Grantees are advised that unless all reporting requirements are satisfactorily met, vouchers are not processed for payment.

Site visits by OTDA staff are a critical component of project monitoring activities. The program manager attempts to visit all projects within a two-year cycle. The duration of each site-visit is usually a couple of hours, and consists of an overview of the agency and the program, a tour of the site, observation of direct service provision, and meetings with accounting staff. Extensive questions are asked pertaining to the information contained in quarterly reports and based upon the coordinator's knowledge of the program.

Another aspect of monitoring is frequent telephone conversations between program staff and the program coordinator. Contractors call with questions about changes in their program, contract requirements, vouchering, and other issues concerning their program. The program coordinator also initiates telephone calls to question information contained in reports. In unusual circumstances, programs may be requested to submit special reports or any media coverage the program has received.

Finally, prior to renewal of their contracts, all grantees funded under ESG undergo a self-evaluation of the benefits realized by homeless and near-homeless households as a result of their ESG funding. This evaluation examines the expansion of service capacity, the utilization of services, and the impact of the project in quantifiable terms. It examines the overall homeless population within a given community and the continued need for the type of assistance being provided. This evaluation also helps to determine whether the project would be viable in other locations across the State.

Section 91.320(k)(4) Housing Opportunities for Persons with AIDS (HOPWA) Program

For HOPWA funds, the state must specify one-year goals for the number of households to be provided housing through the use of HOPWA activities for short-term rent; mortgage and utility assistance payments to prevent homelessness of the individual or family; tenant-based rental assistance; and units provided in housing facilities that are being developed, leased or operated with HOPWA funds, and shall identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations).

Overview

The New York State Office of Temporary and Disability Assistance (OTDA) administers the HOPWA program for New York State.

Strategic Plan Objectives, Outcomes and Indicators

In its June 2009 Request for Proposals (RFP), the New York State Office of Temporary and Disability Assistance (OTDA) determined that funds awarded under HOPWA could be used to address the suitable living environment and the provision of decent housing objectives of the State's Strategic Plan and assist 800 individuals and approximately 440 households as follows:

Objective: **Suitable Living Environment**

To provide a suitable living environment for low-income persons and their families living with HIV/AIDS, the New York State Housing Opportunities for Persons with AIDS Program will distribute its annual allocation to underserved areas of the State to strengthen the continuum of care and serve special needs.

Outcome: Availability/Accessibility

Increase availability/accessibility by funding HOPWA projects that enable participants to achieve the highest level of independent living, and provide health and supportive services to individuals with HIV/AIDS and their families.

Objective-outcome category = SL-1 (see HUD Table 3C for HOPWA on page 40)

Key Indicator: Number of individuals with HIV/AIDS and their families who have received assistance from programs with HOPWA funding. It is estimated that 800 individuals will be assisted.

Objective: **Decent Housing**

To provide decent housing for low-income persons and their families living with HIV/AIDS and their families, the New York State Housing Opportunities for Persons with AIDS Program will distribute its annual allocation to underserved areas of the State to strengthen the continuum of care and enhance the provision of both short-term and long-term rental assistance.

Outcome: Affordability

Increase affordability by providing tenant-based rental assistance and/or support to congregate housing units to expand the supply of housing units appropriate for persons with HIV/AIDS and their families.

Objective-outcome = DH-2

Key Indicator: Number of tenant-based, project-based housing, or congregate housing units funded for persons with HIV/AIDS and their families. It is estimated that 315 households will be assisted.

Outcome: affordability
Increase affordability by providing short-term rental assistance to bridge financial gaps in housing thereby allowing individuals with HIV/AIDS and their families to sustain housing stability.
Objective-outcome category = DH-2

Key Indicator: Number of units of short-term assistance provided to individuals with HIV/AIDS-related diseases and their families. It is estimated that 125 households will be assisted.

HUD Table 3C (Optional)			
Annual Action Plan 2010 HOPWA Program Planned Project Results			
Objective-Outcome Category*	**Performance Indicator**	**Expected Number**	**Activity Description**
SL-1	Total Individuals Served	800	Supportive Service
DH-2	Total Households Assisted	315	Tenant-Based Rental Assistance Congregate Housing
DH-2	Total Households Assisted	125	Short-Term Rental Assistance

Objective-Outcome Categories

Outcome → Objective ↓		Availability/Accessibility 1	Affordability 2	Sustainability 3
Decent Housing	DH	DH-1	DH-2	DH-3
Suitable Living Environment	SL	SL-1	SL-2	SL-3
Economic Opportunity	EO	EO-1	EO-2	EO-3

Resources

During the period covered by the 2010 Action Plan, FFY 2009 funds totaling $1,938,459 will be used to support activities under Round Eighteen of this program. After deducting the State's three percent (3%) administrative share, a total of $1,880,305 will be allocated to contracts. Unexpended funds from previous rounds may also be allocated.

Please note that due to initial delays in starting up the program several years ago, New York State is approximately one year behind in the distribution of its annual HOPWA allocation. Thus, the Round Eighteen contracts that will begin in January 2010 will be supported with FFY 2009 funds.

OTDA seeks to distribute its annual HOPWA allocation to underserved areas of the State, thus strengthening the continuum of care serving the special needs of low-income persons living with HIV/AIDS-related illness and their families.

There are no matching funding requirements under the HOPWA Program. Therefore, there is no minimum percentage of non-federal and/or private financing to be leveraged. There are, however, a variety of funding sources at the State and local level that may be used in combination with HOPWA funding. Examples of such programs include:

- Operational Support for AIDS Housing (OSAH)
- Homeless Housing Assistance Program (HHAP, including AIDS set-aside allocation)
- Homelessness Intervention Program (HIP)
- Supplemental Homelessness Intervention Program (SHIP)
- Single Room Occupancy Support Services Program (SRO)

- Supported Housing for Families and Young Adults (SHFYA)
- Emergency Shelter Grants (ESG) Program
- Shelter Plus Care Program
- Emergency Shelter Allowance for Persons with AIDS
- Family Shelter Program
- Negotiated Rates Program

Two (2) of New York State's programs deserve special mention here because they are an important resource in responding to the housing needs of New Yorkers with HIV/AIDS. These are the Homeless Housing Assistance Program (HHAP) and the Operational Support for AIDS Housing (OSAH) program.

HHAP is a State-funded program providing capital grants and loans to not-for-profit corporations, charitable and religious organizations, municipalities, and public corporations to acquire, construct, or rehabilitate housing for homeless individuals and families. The program provides capital funding for the development of a broad range of housing options for the very diverse homeless population in the State. In the 2008 State Fiscal Year, over $30 million was awarded to fifteen (15) projects throughout the State. $5 million was set aside to provide housing for persons with AIDS. Since the beginning of the AIDS set-aside, the State has invested over $95 million in capital funds for AIDS housing projects throughout the State.

The second State-funded AIDS housing program is OSAH. Beginning in 1994, the State budget has appropriated $1 million annually to provide operational support to projects that have received capital financing through the Homeless Housing and Assistance Program (HHAP) to house homeless persons with HIV/AIDS and their families. This State funding can be used to supplement building operations costs as well as support services costs.

Both HHAP and OSAH exemplify New York State's commitment to strengthen the continuum of care for persons living with HIV/AIDS and their families. OTDA takes into account the location and types of HHAP and OSAH projects in making decisions regarding the distribution of the State's HOPWA funds.

Activities - Priority Needs

To assure that its HOPWA Program is adequately addressing the housing needs of persons with HIV/AIDS and their families, OTDA has sought input and guidance from the NYS National Affordable Housing Act (NAHA) Task Force as well as AIDS advocacy organizations. The NAHA Task Force consists of housing providers, advocates, and representatives from other State agencies, including the New York State Department of Health AIDS Institute.

In accordance with the final HOPWA regulations promulgated by the U.S. Department of Housing and Urban Development (HUD), a broad range of housing-related activities may be funded. In the 2010 round (Round Eighteen) of HOPWA, New York State will continue with priorities and fund applications proposing a number of different activities that were established in the 2000 round (Round Nine).

In the 2009 RFP, the State focused on seven (7) eligible activities grouped into two (2) clusters. The first group was considered to be a higher priority because it actually expands the housing and services available to persons with HIV/AIDS. The second group was considered a lesser priority because it does not directly expand the housing supply and/or because funding could be more readily available from other sources.

- **Group I Program Activities:**
  - project or tenant-based rental assistance
  - supportive services
  - short-term rent, utilities, or mortgage payments to prevent homelessness

- **Group II Program Activities:**
  - technical assistance
  - operating costs for housing
  - housing information services (including counseling, referrals, etc.)
  - lease or repair of facilities to provide housing and services

The above priorities were used in selecting Round Fifteen contracts for 2007, and remained in effect in 2008 and 2009 (Rounds Sixteen and Seventeen). Most of the contracts focus on the provision of long-term rental assistance, short-term rental assistance, and support services.

Methods of Distribution

Since the start of its HOPWA Program in 1993, New York State has distributed its HOPWA funds through a periodic competitive bid process. Every three (3) years, OTDA issues a Request for Proposals (RFP) under the HOPWA Program soliciting proposals from not-for-profit organizations. (In the early years of the HOPWA Program, an RFP was released every two (2) years. Now that the provider pool has attained some level of stability, an RFP is released every three (3) years.) Contracts funded under an RFP can be renewed without further competition in each of the subsequent two (2) years.

An RFP to make available FY 2009 HOPWA (Round Eighteen) funds was released by OTDA in June 2009. Proposals will be received in July 2009 and reviewed.

The January through December contract term represented a change in the annual funding cycle for OTDA-funded HOPWA contracts. Previously, HOPWA contracts had begun on April 1 and ended on March 31 of the following year. In 2001, OTDA initiated the new calendar year funding cycle for HOPWA in order to facilitate reporting to HUD in the State's annual progress report, which is also based on the calendar year.

With the exception of the contractors who will receive funding directly from their new Eligible Metropolitan Services Area (EMSA), contracts awarded under the 2009 RFP will be eligible for continued funding without competition for a three (3) year period from January 1, 2010 through December 31, 2012. Contracts are continued only if, in the course of the ongoing contract, they have been able to demonstrate success in carrying out activities during the contract year.

OTDA subjects all proposals received in response to an RFP to a rigorous review and selection process. The following is a listing of the criteria established for proposal evaluation and selection established under New York State's HOPWA Program:

- demonstration of need within the proposed project area for the type of housing and/or services proposed
- the appropriateness and quality of the site, the design and/or support services proposed for the population to be served
- evidence of the applicant's ability to develop the proposed project and to operate it over the required contract period
- the appropriateness of plans for participant selection to serve the target population and the consistency of these plans with the intent of HOPWA
- the reasonableness of the total project cost and the HOPWA amount requested
- evidence of the applicant's ability to provide, either directly or through referral, the appropriate support services
- evidence that the applicant has approval for its proposed program from the local Department of Social Services
- evidence of strong linkages with community-based service providers and health care providers (including home health care, primary care, and emergency medical care)

- evidence that the focus of the project is on enabling participants to achieve the highest level of self-sufficiency possible
- evidence of the financial feasibility of the project over the required operating period
- the appropriateness of the qualifications and backgrounds of the personnel and staff to be assigned to the project

Although contracts have not yet been negotiated and executed for FFY 2009 funding, OTDA estimates that a total of 440 households will be assisted with HOPWA funds during that year as follows:

Tenant Based Rental Assistance/Congregate Housing	315
Short-Term Rental Assistance	125
TOTAL:	440

Geographic Distribution

OTDA consistently seeks to allocate its HOPWA funds equitably to all parts of the State that have identified gaps in the continuum of care for housing persons with HIV/AIDS and their families. HIV/AIDS is to be found in all 62 counties of New York and includes cases in urban, suburban, and even the most rural areas of the State. In recent years, AIDS cases in upstate rural counties have increased at a higher rate than cases in New York City and the rest of the State, with concomitant increases in the number of homeless persons with HIV/AIDS.

In recent years, the Rochester, Buffalo, and Albany Eligible Metropolitan Services Areas (EMSA) have come online as HOPWA direct entitlement areas. When these cities came online, the grant to New York State was reduced commensurately. Because of the extensive need in upstate areas and the limited availability of HOPWA funds, an executive policy decision was made by OTDA to limit the distribution of the State's HOPWA allocation to those areas that do not have direct access to HOPWA funds from HUD. In 2004, Poughkeepsie, which includes Orange and Dutchess counties, came online as a HOPWA direct entitlement area. Therefore, in the current program year, funding was not made available in support of any projects serving persons in any of the following HUD EMSAs: New York City, including Westchester and Rockland Counties; City of Islip, including Nassau and Suffolk Counties; the City of Rochester, including Monroe, Genesee, Livingston, Orleans and Ontario Counties, the City of Buffalo, including Erie and Niagara Counties; the City of Poughkeepsie, including Orange and Dutchess Counties; and the City of Albany, including Albany, Rensselaer, Schenectady, Montgomery, Schoharie and Saratoga Counties.

Program Monitoring and Reporting Requirements

All HOPWA contracts entered into by OTDA are subject to on-going monitoring throughout the term of the contract. The primary methods of monitoring include:

- review of narrative and tabular quarterly reports (due two (2) calendar weeks after the end of each quarter)
- review of final reports (due thirty (30) days after the expiration of the contract)
- periodic site visits, including review of randomly-selected case files
- on-going telephone contact with program staff

Grantees must ensure that books, records, documents, and other evidence pertaining to costs and expenses under the grant are maintained to reflect all costs of materials, equipment, supplies, services, building costs, and all other costs and expenses for which reimbursement is claimed or payment is made. All expenditures are reported on an accrual basis.

OTDA has direct access to any records relevant to the project, including books, documents, photographs, correspondence and records to make audits, examinations, transcripts, and excerpts. All records pertaining to the grant including financial audits, budget, plans/drafts, supporting

documents, statistical records, etc. are retained for a period of at least four (4) years following submission of the final expenditure report. In the event that any claim, audit, litigation, or State/federal investigation is started before the expiration of the record retention period, the records are retained by the grantee until all claims or findings are resolved.

The contractual agreement requires grantees to submit quarterly and final reports. Quarterly reports describe a project's progress during the quarter through a detailed narrative describing contract activities and the results achieved. Guidelines or criteria, which new grantees developed for eligibility and participant selection, are also appended to the first quarterly report. Significant obstacles or problems in carrying out the contractual obligations are identified along with plans to overcome these obstacles. Changes in contract staffing are addressed and resumes provided by new staff. To meet HUD reporting requirements, statistical data is also reported to track the type of activity carried out and the number of individuals and families assisted, including data on the racial/ethnic characteristics of the participants.

Final reports verify fulfillment of all contractual requirements and tabulate final demographic data on the program participants. They also trigger final reimbursement for contractual activities. The narrative follows the basic format established for quarterly reports, but emphasizes final outcomes. As outlined in the contract, a percentage of the grant award is withheld until the final report is received and approved. Grantees are advised that unless all reporting requirements are met satisfactorily, vouchers are not processed for payment.

Site visits by OTDA staff are a critical component of project monitoring activities. Subsequent to a monitoring visit to OTDA by HUD in 1999, a new monitoring system for the ESG and HOPWA Programs (as well as other OTDA housing services programs) was fully implemented. In keeping with this system, monitoring visits for all housing services programs (including both HOPWA and ESG) administered by the Bureau of Housing and Shelter Service (BHSS) take place regularly using the pooled staff resources of the BHSS Services Unit. At a minimum, each multi-year contract is monitored at least once during the life of the contract. Monitoring of 2007 HOPWA contracts began in program year 2007 and will continue through 2009.

The site-visits usually consist of an overview of the agency and the program, a tour of the site, observation of direct service provision, review of files and records, and meetings with accounting staff. Extensive questions are asked based on the information contained in quarterly reports and on the HOPWA program coordinator's knowledge of the program. Following each monitoring site visit, a formal letter is sent to the grantee relating findings and requesting a formal response when corrective action is needed.

Another aspect of monitoring is frequent telephone conversations between program staff and the program coordinator. Contractors call with questions about changes in their program, contract requirements, vouchering, and other issues concerning their program. The program coordinator also initiates telephone calls to question information contained in reports. In unusual circumstances, programs may be requested to submit special reports or any media coverage the program has received.

Continuum of Care

Throughout this HOPWA 2010 Action Plan, mention has been made of ways in which OTDA has sought to strengthen the continuum of care for persons living with HIV/AIDS and their families. One (1) activity funded by New York State under HOPWA is particularly worthy of note because it specifically addresses the continuum of care. For several years, OTDA has funded a contract with the Corporation for AIDS Research, Education and Services (CARES) to provide housing information, resource identification, and technical assistance in the development, management and evaluation of AIDS housing programs throughout the State.

Specifically, CARES has assisted not-for-profit housing providers, AIDS services organizations, and persons living with HIV/AIDS in establishing regional “chapters” of the New York State AIDS Housing Network. The Network works with local, state, and federal government representatives to address gaps in the AIDS housing continuum in New York State. On the local level, the chapters of the Network focus their efforts on development of regional AIDS housing plans and inclusion of AIDS housing issues in local Consolidated Plans. Thanks to the funding provided by OTDA, regional chapters of the New York State AIDS Housing Network have been established in New York City, Long Island, the Hudson Valley, Albany, Central New York, Rochester, Buffalo, and the Southern Tier regions.

HOPWA Contracts Contract Term: 1/1/10 – 12/31/10				
Contractor Title, Address	**Contractor Contact**	**Contract Amount**	**Contract Description**	**Contract Service Area**
AIDS Community Services of Western New York, Inc. 206 South Elmwood Avenue Buffalo, NY 14201	Ron Silverio	$86,391	Long term rental assistance; Short term rent / utilities / mortgage assistance	Cattaraugus, Chautauqua, Genesee, Orleans, Wyoming and Allegany Counties
AIDS Community Resources 627 West Genesee Street Syracuse, NY 13204	Michael Crinnin	$262,755	Long term rental assistance; Short term rent / utilities / mortgage assistance	Cayuga, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego and St. Lawrence Counties
AIDS Council of Northeastern New York 88 Fourth Avenue Albany, NY 12202	Michelle McClave	$141,567	Long term rental assistance; Short term rent / utilities / mortgage assistance	Clinton, Columbia, Essex, Fulton, Franklin, Greene, Hamilton, Warren and Washington Counties.
AIDS Rochester, Inc. 1350 University Avenue, Suite C Rochester, NY 14607	Paula Silvestrone	$70,364	Long term rental assistance	Schuyler, Seneca, Steuben, and Yates Counties
Central New York Health Systems Agency, Inc 701 Erie Boulevard West Syracuse, NY 13204	Timothy Bobo	$294,490	Long term rental assistance; Short term rent / utilities / mortgage assistance	Onondaga, Jefferson, St. Lawrence, Cayuga, Oneida, and Otsego Counties
Chautauqua Opportunities, Inc. 17 West Courtney Street Dunkirk, NY 14048	Roberta Keller	$80,704	Long term rental assistance; Short term rent / utilities / mortgage assistance	Chautauqua County
Corporation for AIDS Research, Education and Services (CARES) 85 Watervliet Avenue Albany, NY 12203	Nancy Chiarella	$90,616	Long term rental assistance; Short term rent/ utilities Resource identification to help establish housing for persons with AIDS	Statewide
Liberty Resources, Inc 1065 James Street, Suite 200 Syracuse, NY 13203	Michelle Manley	$145,729	Support services for individuals in DePalmer House, transitional housing in Syracuse	Onondaga County
Multi-County Community Development Corp. Twin Maple Plaza, Suite 5 Saugerties, NY 12477	Aldea Carey	$111,267	Long term: rental assistance	Ulster County

HOPWA Contracts Contract Term: 1/1/10 – 12/31/10				
Contractor Title, Address	**Contractor Contact**	**Contract Amount**	**Contract Description**	**Contract Service Area**
Rural Opportunities, Inc 400 East Avenue - Suite 401 Rochester, NY 14607	Velma Smith	$171,449	Long term rental assistance; Short term rent / utilities / mortgage assistance	Sullivan County
Rural Ulster Preservation Company 289 Fair Street Kingston, NY 12401	Kathy Leahy	$175,708	Long term rental assistance; Short term rent / utilities / mortgage assistance	Ulster County
Southern Tier AIDS Program, Inc. 122 Baldwin Street Johnson City, NY 13790	Edward Bergman	$130,703	Long term rental assistance; Short term rent / utilities / mortgage assistance	Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Tioga and Tompkins Counties
Sullivan County Federation For the Homeless PO Box 336PO Monticello, NY 12701	Steve White	$78,347	Short term rent / utilities / mortgage assistance	Sullivan County

Section 91.320(h) Homeless and Other Special Needs Activities

Activities it plans to undertake during the next year to address emergency shelter and transitional housing needs of homeless individuals and families (including subpopulations), to prevent low-income individuals and families with children (especially those with incomes below 30 percent of median) from becoming homeless, to help homeless persons make the transition to permanent housing and independent living, specific action steps to end chronic homelessness, and to address the special needs of persons who are not homeless identified in accordance with §91.315(e)

Overview

New York State has a broad array of programs and initiatives to serve individuals with special needs, those who are chronically homeless, in danger of becoming homeless, or are making the transition to permanent housing and independent living.

New York / New York III

In November of 2005 several New York State agencies, including the Division of Housing and Community Renewal (DHCR), Office of Temporary and Disability Assistance (OTDA), Office of Mental Health (OMH), and the Office of Alcohol and Substance Abuse Services (OASAS), joined with New York City to implement the New York/New York III Supportive Housing Agreement projected to create 9,000 new housing opportunities for the homeless and those at risk of homelessness.

- This Agreement provides housing and related services to those New York City individuals and families most in need. The primary goals of the NY/NY III initiative are to prevent homelessness, reduce the period of homelessness, and increase independence.

- NY/NY III incorporates a greater understanding of the supportive housing needs of our chronic homeless population, in an effort to move toward the eradication of chronic homelessness in NYS. In addition to applying the lessons learned from earlier initiatives through proven, cost-effective solutions like prevention and supportive housing, the current proposal includes an expansion of the target population as well as the service model. NY/NY III will service homeless single adults with serious mental illness, as well as persons with disabling substance abuse disorders, families with heads of households who have a mental illness or substance use disorder, medically frail and elderly persons, people with HIV/AIDS, and young adults who have left the foster care system without the necessary independent living skills.

- When fully implemented by 2016, the NY/NY III Agreement is expected to represent a capital investment of $953 million to create 9,000 supportive housing beds for the chronically homeless at a full annual operating cost of approximately $160 million. During the 2010 Action Plan Program Year, supportive housing beds will continue to be funded as part of this ten-year agreement.

Developmental Disabilities Planning Council

The New York State Developmental Disabilities Planning Council (DDPC) is a federally-funded State agency responsible for developing new ways to improve the delivery of services and supports to New Yorkers with developmental disabilities and their families. The Council focuses on community involvement, employment, recreation, and housing issues faced by New Yorkers with developmental disabilities and their families. To a large extent, DDPC programs are developed in direct response to the concerns and ideas voiced by consumers, families, service providers, policy-makers, and other professionals.

The Division of Housing and Community Renewal (DHCR) is one of ten (10) State agency members of the DDPC, which also includes persons with developmental disabilities or their parents/guardians

and non-governmental organizations. Council members meet quarterly to discuss issues such as policy and funding decisions that affect the lives of individuals with developmental disabilities. Council Members determine which demonstration programs will be funded and participate in the Committees that develop requests for proposals for new projects. DHCR participates on the Adult Issues Committee, which includes issues related to housing for adults with disabilities.

NYHousingSearch.gov

NYHousingSearch.gov is a FREE public service provided by the New York State Division of Housing and Community Renewal (DHCR), the New York State Department of Health (DOH), and Office of Mental Retardation and Developmental Disabilities (OMRDD).

It is funded in part through a Money Follows the Person (MFP) Rebalancing Demonstration Grant and a Real Choice Systems Change, Systems Transformation Grant from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services. These grants assist states with making effective and enduring improvements in community-based long-term care and support systems for seniors and people with disabilities.

NYHousingSearch.gov allows people to locate available housing that meets their individual and family needs at a rent they can afford. It can be accessed online 24-hours a day and is supported by a toll-free, bilingual call center M-F, 9-8 Eastern Time.

The fast, easy-to-use FREE search lets people look for rental housing using a wide variety of criteria and special mapping features. Housing listings display detailed information about each unit. The service also provides links to housing resources and helpful tools for renters such as an affordability calculator, rental checklist, and information about renter rights and responsibilities.

Property owners and managers, including housing authorities and private landlords, can use this service to manage their property listings FREE of charge. Listings can include pictures, maps, and information about nearby amenities. Property owners and housing authorities can register and manage their listings online or via phone and fax.

NYHousingSearch.gov will continue to be marketed to owners and searchers to increase listings and provide increased opportunities for individuals to locate affordable available housing that meets their needs. It will continue to be positioned as the go-to housing listing and locator service in New York State.

Access to Home Program

The Access to Home program was created in January of 2004 and has committed more than $35 million dollars in funding to not-for-profit organizations to administer local programs to make the homes and apartments of low- and moderate-income New Yorkers with disabilities accessible. Under the program, home improvements and alterations are made to permit persons with physical disabilities to remain in their own homes, rather than enter a more costly and intrusive nursing home setting.

Chapter 159 of the Laws of 2006 made the Access to Home Program permanent and enacted measures that allowed disabled veterans earning up to 120 percent of the area median income to qualify for individual assistance under the Program.

Applications to become Local Program Administrators (LPAs) under the Access to Home Program are considered on a competitive basis. Eligible entities include municipalities, community based not-for-profit corporations, Neighborhood and Rural Preservation Companies, and not-for-profit charitable organizations in existence for at least one year and with substantial experience in adapting and/or

retrofitting homes for persons with disabilities. The applicant and members of their team are evaluated based on experience and ability to administer the Program in a timely manner within the confines of a proposed budget up to $500,000. Individual homeowners and tenants then apply through these local entities for assistance of up to $25,000.

Access to Home addresses an important housing need by allowing persons with physical disabilities to be diverted from entering a nursing home, or given an opportunity to transition back home once appropriate adaptations are made. The Program provides housing alternatives for persons with disabilities by funding basic adaptations that are relatively low in cost and high in benefit and satisfaction. Through a partnership with a variety of not-for-profit organizations, Access to Home is part of the continuum to reverse the institutionalization trend and create a pathway for people with physical disabilities to live independently within the community of their choice.

A Notice of Funding Availability (NOFA) was issued in January of 2009 announcing $4 million in funding under the Access to Home Program. Sixty-two applications were received requesting a total of $22 million and twenty-two applications were funded.

Most Integrated Setting Coordinating Council (MISCC)

The Most Integrated Setting Coordinating Council, established by Chapter 551 of the Laws of 2002, is responsible for developing a comprehensive Statewide plan to ensure that people of all ages with physical and psychiatric disabilities receive care and services in the most integrated settings appropriate to their individual needs.

On November 20, 2006, the Council submitted its first report to the Governor and State Legislature. Entitled *"Addressing the Service and Support Needs of New Yorkers with Disabilities,"* the report sets an Operational Plan that serves as a starting point for achieving the Council's goals. State agencies are responsible for implementation of applicable sections of the plan. Their progress is reported subsequently at quarterly meetings open to the public.

Currently chaired by the Commissioner of the Office of Mental Retardation and Developmental Disabilities (OMRDD), the Council consists of representatives from ten State agencies and nine appointed public representatives.

State agency council members include: Office of Mental Health, Department of Health, State Office for the Aging, Office of Mental Retardation and Developmental Disabilities, Education Department, Office of Alcoholism and Substance Abuse Services, Division of Housing and Community Renewal, Department of Transportation, Office of Children and Family Services, and the Commission on Quality of Care and Advocacy for Persons with Disabilities.

The nine appointed members include: Three (3) consumers of services for individuals with disabilities, three (3) individuals with expertise in the field of community services for people of all ages with disabilities, and three (3) individuals with expertise in or recipients of services available to senior citizens with disabilities.

Most Integrated Setting Coordinating Council (MISCC) Housing Committee

The MISCC Housing Task Force is comprised of consumers and leaders in not-for-profit organizations, local governments, and state agencies whose work impacts the lives of people with physical or psychiatric disabilities. The Task Force was organized in 2007 to support the MISCC's goal of ensuring that people of all ages with disabilities can live in the most integrated setting of their choice that meets their needs. The Task Force has three primary areas of focus:

- Increase opportunities for people with disabilities to live independently in the setting of their choice and where appropriate, with supportive services that are designed around the needs and desires of the individual.

- Collect and analyze existing data to define the need for affordable/accessible housing in New York State, and a continuum of supportive services that ensures choice and empowerment to live in the most integrated setting that meets individual needs and preferences.

- Combat NIMBYism and increase awareness through a public communication and marketing campaign that includes promoting NYHousingSearch.gov.

Money Follows the Person (MFP) Rebalancing Demonstration Program

The Money Follows the Person (MFP) Rebalancing Demonstration Program is a successful federal Center for Medicare and Medicaid Services (CMS) grant received by the New York State Department of Health (DOH) in January 2007. MFP provides the State with enhanced Federal Medical Assistance Percentage (FMAP) reimbursement contingent on the transition of eligible individuals from nursing homes back into the community.

Within the State's MFP Rebalancing Demonstration Program application, increasing the supply of affordable, accessible and integrated housing was recognized as key to achieving successful transition from institutional settings. As a result, the MFP Housing Task Force was created in May of 2007 spearheaded by DHCR in coordination with DOH. The Task Force provides an opportunity for the State to collaborate with housing providers, the advocacy community and consumers to expand housing opportunities for persons with disabilities.

The Task Force is charged with exploring the feasibility of strategies for addressing housing need as identified in the State's MFP Rebalancing Demonstration Program application. This effort includes developing a needs assessment on affordable, accessible and integrated housing for the MFP target population, as well as recommendations to increase affordable housing opportunities.

Nursing Home Transition and Diversion (NHTD) Waiver Housing Subsidy

The NHTD waiver is administered by the NYS Department of Health (DOH) and uses Medicaid funding to provide supports and services to assist individuals with disabilities and seniors toward successful inclusion in the community. Waiver participants may transition from a nursing facility or other institution, or choose to participate in the waiver to prevent institutionalization.

Realizing that the key to living independently is finding safe, decent and affordable housing, DOH and DHCR partnered to create the Nursing Home Transition and Diversion (NHTD) Waiver Housing Subsidy Program. This State funded initiative provides rental assistance to NHTD Medicaid waiver participants in New York State. The Program offers an alternative to nursing home placement for people with disabilities ages eighteen (18) or over and seniors by assisting them with securing housing and at home services appropriate to their needs.

To apply individuals begin the eligibility process with a Regional Resource Development Center (RRDC) and Service Coordinator under contract with DOH. Together a service plan is developed and approval granted for participation in the NHTD Waiver.

An appropriate unit is then selected by the household and a Section 8 Housing Choice Voucher (HCV) Program Local Administrator (LA) under contract with DHCR, performs a Housing Quality Standards (HQS) inspection and determines the amount of rent subsidy. The dollar amount of subsidy assistance varies depending on the income of the family or individual and the approved rent for the unit. Subsidy payments are sent directly to owners or authorized managing agents via direct deposit.

A household may remain with the program as long as they are waiver eligible, even if they change residence. However, the goal is to transition the household to Section 8 and use the NHTD Housing Subsidy to transition or divert other individuals from institutional settings. By engaging Section 8 LAs early in the NHTD Waiver Housing Subsidy process and requiring HQS standards, ensures that the unit will meet Section 8 program requirements and facilitate a smooth transition onto the Section 8 program.

The NHTD Housing Subsidy has received State appropriations totaling over $7 million to date, which has allowed the program to be offered throughout the State.

Real Choice Systems Change Grant for Systems Transformation

In September 2006, OMRDD was awarded a five-year $2.8 million grant from CMS. This grant will assist OMRDD in facilitating increased person-centered supports for persons with developmental disabilities by enhancing New York State's Options for People through Services (OPTS) initiative. The overall purpose of the grant is to further system transformation in New York and three (3) goals were selected and funded: Choice, Housing, and Funding. The first year of the grant is set aside to develop a Strategic Plan. The grant is now in its implementation phase.

Other Important State Initiatives

New York State agencies are also taking additional actions to address the problems of chronic homelessness. For example, the Office of Temporary and Disability Assistance (OTDA) is currently in the process of taking the following specific actions to end chronic homelessness in New York State. To better serve those in need of affordable housing and related services, OTDA provides approximately $65 million annually for programs to assist the homeless and those at-risk of homelessness. Below is a listing of current housing and supportive service programs provided by OTDA, in addition to ESG and HOPWA:

- **Homeless Housing and Assistance Program (HHAP) - $30 million/year**
  HHAP provides capital grants and loans to not-for-profit corporations, charitable and religious organizations, municipalities, and public corporations to acquire, construct, or rehabilitate housing for persons who are un-domiciled and are unable to secure adequate housing without special assistance.

- **Single Room Occupancy (SRO) Support Services Program - $20.4 million/year**
  The SRO Support Services Program provides grants for the provision of support services to low-income tenants in Single Room Occupancy housing operated by not-for-profit agencies. The objective of these support services is to assist SRO tenants in maintaining and/or enhancing independent living and, in doing so, prevent recurrent homelessness.

- **Homelessness Intervention Program (HIP) - $3.68 million/year**
  HIP provides services to families and individuals who are homeless or at risk of homelessness for the purpose of stabilization and housing retention. Program categories include aftercare, housing location services, eviction prevention and placement services as well as other related support services to enhance household stabilization.

- **Supplemental Homelessness Intervention Program (SHIP) - $5 million/year**
  SHIP provides housing and related services to homeless and at-risk of homelessness individuals and families who are eligible for benefits under the State plan for the Federal Temporary Assistance for Needy Families (TANF).

- **Supported Housing for Families and Young Adults (SHFYA) - $5 million/year**

The SHFYA program provides a supportive housing program for families and young adults age 18 to 25, who are eligible for benefits under the State plan for the Federal Temporary Assistance for Needy Families (TANF) block grant, whose incomes do not exceed 200 percent of the Federal poverty level and, unless in receipt of public assistance, whose participation in such a program would not constitute "assistance" under Federal TANF regulations.

- **Operational Support for AIDS Housing (OSAH) - $1 million/year**
  The OSAH program provides operational support to projects that have received capital funding through HHAP to house homeless persons with AIDS/HIV and their families.

In addition, the New York State Office of Alcoholism and Substance Abuse Services (OASAS) administers the following initiatives to address homelessness:

- **Shelter Plus Care Permanent Supported Housing Program – $13.5 million/year**
  OASAS manages this HUD-funded Homeless assistance Program that provides permanent supported housing for approximately 500 persons in New York City and another 500 persons in the Balance of the State. At least one-third of the apartments are for homeless families.

- **Case Management Initiative for Shelter Plus Care Participants - $1.75 million/year**
  OASAS provides State monies to support Case Managers for each of the Shelter Plus Care programs operated by their voluntary agencies.

91.320(i) Barriers to Affordable Housing

(i) Barriers to Affordable Housing. Actions it plans to take during the next year to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing. Such policies, procedures, and processes include but are not limited to: land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Overview

New York State will act in the following ways to remove barriers to affordable housing.

Remove Barriers to Affordable Housing

- The Governor's Office of Regulatory Reform (GORR) will continue to review proposed rules to ensure that they are necessary and understandable and all State agencies will continue to streamline and expedite their review processes for applications and approvals.
- Faced with the highest heating costs in the country, New York State will continue to administer several programs (e.g., the Low-income Home Energy Assistance Program and the Weatherization Assistance Program) which reduce the extent to which high energy costs are a barrier to affordable housing.
- The New York State Division of Housing and Community Renewal (DHCR) will continue to encourage the development of special needs housing in its programs by awarding extra points to applicants who seek funds to develop these units.
- DHCR will continue to work closely with the New York State Division of Human Rights (DHR) and the U.S. Department of Housing and Urban Development (HUD) to enforce all State Human Rights statutes and federal fair housing laws.
- DHCR's Design Services Unit will continue to review each project for compliance with all accessibility design requirements of the Fair Housing Act and the NYS Building Code.
- DHCR's Office of Fair Housing and Equal Opportunity will continue to review project marketing and require outreach to special needs organizations as part of the marketing effort for all projects. It will also continue to ensure compliance with Section 3 and M/WBE requirements and provide appropriate training and technical assistance to funding applicants and recipients and program administrative staff.
- DHCR will continue to assess barriers to fair housing and will report the results of that assessment in an updated Analysis of Impediments to Fair Housing.
- New York State recently revised a provision of its Real Property Tax Law – i.e., §581(a) – to provide that the income capitalization approach, based upon actual net operating income, after deducting any required reserves, shall be used to assess residential rental properties where the occupancy of at least twenty percent (20%) of the units are restricted, pursuant to an agreement with a governmental entity, to tenants who qualify in accordance with an income test. Such restricted housing would include, for example, properties developed with LIHC, State low-income housing tax credits, tax-exempt bond financing, the federal HOME, or the Homeless Housing and Assistance programs.
- New York State recently enacted legislation which will increase the shelter allowance provided to public housing authorities serving families on public assistance. The new law creates parity between public and private housing providers with respect to shelter allowance assistance, increasing public housing funding by tens of millions of dollars annually once it is fully phased in.

Section 91.330(j) Other Actions

(j) Other actions. Actions it plans to take during the next year to implement its strategic plan and address obstacles to meeting underserved needs, foster and maintain affordable housing (including the coordination of Low-Income Housing Tax Credits with the development of affordable housing), evaluate and reduce lead-based paint hazards, reduce the number of poverty level families, develop institutional structure, enhance coordination between public and private housing and social service agencies, address the needs of public housing (including providing financial or other assistance to troubled public housing agencies), and encourage public housing residents to become more involved in management and participate in homeownership.

Overview

In addition to the program specific CDBG, HOME, ESG, and HOPWA activities described in the previous sections, New York State will also take a variety of other actions during 2010. The following is a brief description of some of the many other actions New York State will take to address eight (8) specific issues identified in Section 91.320(f) of HUD's regulation for Consolidated Planning. [Please note the "other actions" described below are illustrative but not exhaustive.]

Other Actions

- **Address obstacles to meeting underserved needs:**
  -New York State will continue to develop new programs and initiatives, improve existing programs and identify additional sources of funding to better serve those in need of affordable housing and related services.

- **Foster and maintain affordable housing (including the coordination of Low-Income Housing Tax Credits with the development of affordable housing):**
  - New York State's strategy will focus on combining the LIHC with available public subsidies on the federal, State, and local level, including new Tax Credit Assistance Program (TCAP) capital funding made available to New York State through the federal American Reinvestment and Recovery Act of 2009. It is through this combination that most of the low-income rental housing developed by New York will likely attain financial feasibility and viability necessary to assure completion and operation in the current economic climate.
  - Predictable flow of LIHC accruing to New York will allow the State to continue to accurately forecast the amounts and types of government subsidies that can be leveraged through use of the LIHC.
  - This predictability will also allow the State to forecast, by way of its goals and priorities, the types of subsidies that will be most effective in meeting the housing needs of the State over the next five (5) years.
  - Virtually all of the projects receiving an allocation of LIHC from DHCR will continue to have at least one (1) other public subsidy as part of the project financing package.
  - DHCR will continue to use the LIHC to leverage private investment in projects using HOME and/or Housing Trust Fund monies.

- **Evaluate and reduce lead-based paint hazards:**
  - Lead is the leading recognized environmental poison for children in New York State. Early identification of children with lead exposure is key to reducing the likelihood of chronic health problems. Health care providers are required to test children at ages 1 and 2 to detect and provide early intervention for elevated blood lead levels. Elevated blood lead level is defined as a blood lead level at or above 10 micrograms per deciliter ($\geq$ 10 mg/dl) in children.
  - To eliminate childhood lead poisoning, a "primary prevention" approach is used to reduce or eliminate lead exposures or risk factors before the onset of detectable diseases. The biggest source of lead for New York State's children is older housing stock containing lead-based

paint. Primary prevention includes measures to: a) prevent the dispersal of lead in the environment through regulations or other measures that prevent harmful uses of lead and b) remove the health hazards posed by lead-based paint and keep homes "lead safe" before children are exposed.

- New York State Department of Health (DOH), in collaboration with DHCR and other members of the Governor's Lead Poisoning Advisory Council, continue to pursue the goal of eliminating childhood lead poisoning by 2010. This Council support has proven valuable in building momentum toward reaching goals outlined in the New York State Lead Elimination Plan
  Key initiatives with input from the Advisory Council have included:
- Revised regulations and guidelines to initiate comprehensive case management and environmental lead exposure investigation for children with an elevated blood lead level were adopted on June 20, 2009. Prior to the new regulations, only children with blood levels ≥ 20 ug/dL were required to receive an environmental investigation to determine possible exposure. The new regulations prescribe that those children with an elevated blood level of ≥ 15ug/dL receive a full environmental investigation.
- DHCR representatives presented at the NYS Lead Advisory Council meeting in March 2009 concerning funding available as a result of the Federal Stimulus monies and the impact on the Weatherization Programs. The Advisory Council also listened to an informative presentation on the low income housing projects funded through DHCR and how environmental lead and lead based paint is safely addressed in these projects. DOH and DHCR are exploring opportunities to direct funding to address lead hazards.
- Sponsoring lead-based paint safe worker training of staff and contractors on HOME, Weatherization, and other federally-funded housing projects.
- Ensuring adequately performed lead-safe interim controls and lead abatement during rehabilitation work.
- Promoting well-constructed and managed affordable housing developments that reduce health problems associated with poor quality housing by limiting exposure to allergens, neurotoxins, and other dangers.
- Implementation of the DOH housing-based "Lead Primary Prevention Project." The total investment for this childhood lead poisoning prevention initiative is up to $15.6 million in State funds over this three-year period. Twelve (12) targeted counties with housing at high risk of containing lead based paint are funded and three (3) more targeted counties will be added. Collectively, these counties accounted for more than 80% of all known cases of children age six and under with newly identified elevated blood lead levels. These selected counties develop and implement a housing inspection plan that supports our existing primary prevention activities. Some successes includes 27,000 individuals reached through meetings and community events; 6,300 households educated about lead hazards in the home; 1,467 units inspected for lead hazards, 550 units found to have potential lead hazards with 216 units remediated of lead hazards, with many more in various stages of completion. Efforts in the first year are detailed in the National Center for Healthy Housing report titled "New York State's Primary Prevention of Childhood Lead Poisoning Pilot Program: Year One Final Implementation Report" available on the DOH website at http://www.nyhealth.gov/environmental/lead/childhood_lead_primary_prevention_program.htm.
- DHCR representatives provided a presentation to the Lead Primary Prevention Project grantees at a meeting in April 2009. This provided a forum for the grantees to hear how best to engage the community and build partnerships with local agencies including DHCR funded grant recipients and how lead hazard controls are addressed when rehabilitating properties.
- DOH reported to the Lead Advisory Council on March 31, 2009 on published research in the federal Center for Disease Control and Prevention's (CDC) Morbidity and Mortality Weekly Report, January 30, 2009, entitled "Children with Elevated Blood Lead Levels Related to Home Renovation, Repair, and Painting Activities – New York State, 2006-2007." The study indicates that 14% of lead poisoned children in NYS (defined as having a blood lead level of ≥20) were poisoned as a result of renovation, repair, and painting activities. Children living in

pre-1978 housing undergoing these activities should be considered high risk for elevated blood lead levels and appropriate precautions should be taken to prevent exposure.

- A two-day training, "Essentials for Healthy Homes Practitioners", was held twice in May 2009 in collaboration with the National Center for Healthy Housing, Cornell Cooperative Extension Services, and DOH. Attendees included staff from local health departments, Cornell Cooperative Extension staff, County and City Community Development Staff, and NYSDOH. This training provided the 70 attendees with the knowledge and skills to begin assessing housing for multiple hazards that may negatively impact the health of the occupants. The goal is to offer this training state-wide to continue to build the capacity and knowledge of individuals on healthy housing solutions.
- Efforts in the City of Rochester to promote primary prevention are continuing through implementation of the lead-based paint poisoning prevention ordinance, enacted July 1, 2006. The ordinance applies to rental properties built prior to 1978 and requires that all housing units inspected by the City undergo visual inspection for deteriorated paint and dust wipes in any of thirty-one (31) target census tracts. Since the law came into effect, 28,000 housing units were inspected under the ordinance. 2,338 housing units were found to have failed visual inspection and 1100 other units failed dust wipe tests. Together, these groups account for 3,438 housing units or about twelve percent (12%) of the inspections.
- DOH's active assistance to NYS recipients of federal HUD funding targeted lead hazard control activities is also continuing. Grantees report on progress in implementing their work plan deliverables for HUD, discuss barriers to implementation, and exchange information on how other grantees may have overcome similar obstacles. County Health Department Lead Program staff are invited and encouraged to participate in these meetings as a means of connecting properties in need of lead hazard remediation to a HUD grant source. This interaction also gives the HUD grantees an update from NYS regarding activities to eliminate childhood lead poisoning.

- **Reduce the number of poverty level families:**

  New York State will continue to pursue a broad array of initiatives to reduce the number of poverty level families:

  - The Office of Temporary and Disability Assistance will continue to help low-income New Yorkers achieve a greater degree of self-sufficiency and economic security by:
    - working to increase the economic security of working families, by expanding access to work supports for those who are struggling to survive in low-wage jobs
    - intensifying focus on work engagement for those who remain on public assistance and can work, providing them with the right combination of work experience, skills development, training, and educational opportunities
    - helping persons with special needs to obtain the benefits and services they require, whether to overcome temporary obstacles to work, to pursue disability benefits, or to achieve stability through specialized assistance like housing or case management
    - further reducing child poverty and improving child well-being, through these and other mechanisms
    - working in collaboration with the Department of Labor and the Office of Children and Family Services, to assist families in achieving economic self-sufficiency through work, job training, and child support enforcement
  - The Department of Labor will continue to promote job creation and economic growth by striving to create and maintain a strong workforce system, as well as:
    - helping people find jobs, providing both employers and workers with tools for success by administering a variety of workforce development services and providing unemployment insurance benefits when employment is interrupted
    - facilitating compliance with State labor laws, to ensure citizens fair treatment and compensation, as well as a safe, healthy, and productive employment environment
  - The Empire State Development Corporation will continue to aggressively pursue its efforts to create and retain quality jobs throughout New York by:

  - providing assistance and services to businesses in order to encourage economic investment in New York State
  - working closely with businesses to identify creative solutions to challenging problems, generating enhanced opportunities for growth, and helping them achieve their uniquely important, short- and long-term goals
- Many New York State agencies, including the Department of Health, the Office of Mental Health, the Office of Mental Retardation and Developmental Disabilities, the Office for the Aging, the Office of Alcoholism and Substance Abuse Services, and the Division of Veterans Affairs, will continue to actively address a wide variety of issues that will enable New Yorkers to live as actively, productively, and independently as possible.

- **Develop institutional structure:**
  - New York State will continue to analyze the delivery system of affordable housing to identify areas of problems and issues.
  - Recommendations will be made on how to improve the administration of programs by State agencies.
  - Closer communication ties among agencies with housing programs will be pursued to improve program coordination.

- **Enhance coordination between public and private housing and social service agencies:**
  - New York State emphasizes coordination with public and assisted housing providers and private and governmental health, mental health, and service agencies.
  - The Most Integrated Setting Coordinating Council (MISCC) recently created a Housing Task Force which is staffed by State agencies, independent living centers, advocates, and non-profit organizations. The Commissioner of DHCR chairs this Task Force.
  - Under the New York/New York III Supportive Housing Agreement, DHCR will work with the New York State Office of Mental Health (OMH), Office of Temporary and Disability Assistance (OTDA), Office of Alcohol and Substance Abuse Services (OASAS), and the City of New York to provide an additional 9,000 supportive housing units over the next ten (10) years, for individuals and families who are living on the streets or in emergency shelters in New York City. This Agreement will provide housing and related services to those New York City individuals and families most in need.
  - It is a priority of the State's Division of Housing and Community Renewal (DHCR) to strengthen and expand partnerships in housing and community development.
  - These partnerships include all public and assisted housing providers as well as the private and governmental health, mental health, and service agencies that do business with the State's housing programs.
  - New York State will continue to employ a number of vehicles for communication and coordination which include: the National Affordable Housing Act Task Force and Consolidated Plan Partnership Advisory Committee; the Most Integrated Setting Coordinating Council; the Developmental Disabilities Planning Council; and, the Money Follows the Person Housing Workgroup.
  - New York State will continue to participate in conferences and training for housing and service providers and local governments and will continue to provide assistance to ensure coordination among private and governmental health, mental health, and service agencies for State-financed projects housing special needs populations.
  - New York State will also continue to actively coordinate and cooperate with units of general local government in the preparation and implementation of its ConPlan and Annual Action Plans.

- **Assist "troubled" public housing authorities**
  - New York State emphasizes coordination with public housing providers. Among the more than 200 public housing authorities in New York State, only one located in a "non-entitlement" area of the State is categorized by HUD as "troubled." New York State will consult with this

authority to provide any requested technical assistance which is available from the State and appropriate to assist this authority in correcting any deficiency which has led HUD to designate the authority as "troubled."

- **Foster public housing resident initiatives:**
  - As noted in the Needs Assessment of the 2006-2010 ConPlan, New York State has a public housing program in which tenant participation in the management of housing authorities is not only encouraged but mandated by the State's Public Housing Law, which provides that authorities in cities having a population under one million be composed of up to seven (7) members, including two (2) tenants elected by public housing residents.
  - New York State will continue to vigorously enforce this law.
  - In addition, the State will continue to explore, where appropriate, the potential for restructuring public housing projects to preserve existing public housing units.
  - DHCR has recently participated in a number of restructurings and these efforts will continue. Generally, resources committed include tax credit proceeds and State Public Housing Modernization funds where the housing remains affordable but is privately owned. The plans typically include substantial rehabilitation and a reconfiguration of units to accommodate larger families; restructurings of public housing projects in Albany and Middletown have recently been completed; construction is underway at projects in No. Hempstead, Oswego, and Rockville Center. The Rome H.A. has issued an RFP to interested developers.
  - In addition, New York State officials will continue to meet with representatives of Public Housing Authorities, owners and agents of Mitchell-Lama Housing projects, and tenant groups such as the New York State Tenant and Neighborhood Coalition and the Mitchell-Lama Residents Coalition.

Section 91.330 Monitoring

"The Consolidated Plan must describe the standards and procedures that the State will use to monitor activities carried out in furtherance of the plan and will use to ensure long term compliance with requirements of the programs involved, including the comprehensive planning requirements."

Overview

New York State's policies and procedures for compliance monitoring of ConPlan programs are described in the program-specific portions of the Action Plan section of this document.

Special Actions

Housing and Economic Recovery Act of 2008 (HERA) and the American Recovery and Reinvestment Act of 2009 (ARRA)

The **Housing and Economic Recovery Act of 2008 (HERA)** was signed into law on July 30, 2008. Provisions of Division B, Title III of the legislation, entitled *Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes:*

- created the **Neighborhood Stabilization Program (NSP)**;
- provided the Program with $3.92 billion in supplemental CDBG funding;
- required that these funds be allocated to States and units of general local government with the greatest need.

The **American Recovery and Reinvestment Act of 2009 (ARRA)** was signed into law on February 17th, 2009. ARRA included $13.61 billion for projects and programs administered by the U.S. Department of Housing and Urban Development (HUD), including resources to be used to stabilize and revive local neighborhoods and housing markets with heavy concentrations of foreclosed properties. Funds will also assist the vulnerable families and individuals who are on the brink of homelessness or have recently become homeless. The following two programs were created by ARRA:

- **Homelessness Prevention and Rapid Re-Housing Program (HPRP)**: $1.5 billion invested in preventing homelessness and enabling the rapid re-housing of homeless families and individuals. The HPRP funds will provide much-needed services to New York families at-risk of homelessness while helping those already homeless to find stable housing. Services to be provided include short- and medium-term rental assistance, legal services, case management, locating available housing and financial counseling.
- **Community Development Block Grant Recovery Program (CDBG-R)**: $1 billion in supplemental Community Development Block Grant (CDBG) Program funds to be used to stimulate the economy through measures that modernize the Nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to health care through the creation of suitable living environments; provision of decent affordable housing; and creation of economic opportunities primarily benefiting persons of low- and moderate-income.

Several substantial amendments to the New York State Consolidated Plan 2008 Action Plan were required by grantees eligible to receive funds through NSP, HPRP, and CDBG-R. The following substantial amendments were filed with HUD:

- The Neighborhood Stabilization Program (NSP), filed in November 2008 and approved in January 2010
- The Homelessness Prevention and Rapid Re-Housing Program (HPRP), filed in May, 2009 and approved in June, 2009; a revision to the substantial amendment was filed in November, 2009 and has not yet been approved.
- The Community Block Grant Recovery Program (CDBG-R), filed in June, 2009 and approved in July, 2009

These programs do not require grantees to report on uses of funds in their Consolidated Annual Performance and Evaluation Report (CAPER). Alternate reporting requirements have been stipulated in each program's notice of funding allocations and requirements.

The approved substantial amendments are included in Appendix V.

Appendix I

Citizen Participation Plan

and

Public Hearing Notices

New York State

CITIZEN PARTICIPATION PLAN

For the development of the

Consolidated Plan

and the

Annual Action Plan

David A. Paterson, Governor

Deborah VanAmerongen, Commissioner
Division of Housing and Community Renewal and
Chairperson, NAHA Task Force

To comment or request additional information, contact:

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NEW YORK STATE
CITIZEN PARTICIPATION PLAN

In the development of its Consolidated Plan (ConPlan) and amendment(s) thereto, New York State follows its approved Citizen Participation Plan (CPP). New York State's CPP fulfills the general and specific requirements described in Section 91.115 of 24 CFR 91 of the federal rules and regulations for the Consolidated Submissions for Community Planning and Development Programs (the Rules), including citizen participation requirements for units of local government receiving Community Development Block Grants (CDBG), as described at 24 CFR 570.486.

New York's adopted CPP uses existing, on-going citizen participation organizations, and pursues new relationships and organizational structures among various agencies and interested citizens and groups, to implement a participation process that meets and exceeds the requirements of the federal regulations. The CPP has been and will continue to be amended as the State continues to gain access to technology that improves the avenues of participation.

This CPP reflects extensive public outreach opportunities, including those afforded by the Housing Trust Fund Corporation (HTFC) and numerous state, county, municipal, and private sector entities that are active or involved in the broad spectrum of housing and non-housing community revitalization activities in the State.

New York State receives advice and comments from its New York State Task Force on the National Affordable Housing Act (NAHA), Partnership Advisory Committee (PAC), regional planning associations, local governments, citizens, non-profit organizations, and other interested parties with insights into the housing and community development needs of New York State to maximize the benefits of collective problem-solving, to coordinate activities, and to increase commitment. Over time, the CPP has expanded NAHA Task Force and PAC membership to further encourage State agency participation and increase input from statewide/regional not-for-profits, local governments, regional planning associations and a variety of economic development and private business associations. Membership in the Task Force or the PAC may change without public notice or comment. Entities seeking membership should contact DHCR.

Applicability of the Citizen Participation Plan

New York's CPP provides citizens and units of general local government with the opportunity to comment on the Consolidated Plan and on substantial amendments. In compliance with Section 91.115 of the Rules, the CPP encourages the participation of low- and moderate-income persons, particularly those living in slum and blighted areas and in areas where CDBG funds are proposed to be used and by residents of predominantly low- and moderate-income neighborhoods, as defined by the State, as well as minority citizens, non-English speaking persons, and persons with disabilities. The State has made the CPP part of the Consolidated Plan with wide distribution in draft and final form.

Citizen Participation Outreach

In the development of its 2001- 2005 Consolidated Plan, New York State implemented an intense outreach program to encourage the participation of citizens, statewide and regional community revitalization organizations and State agencies. Implementation of this program ensures that New York State citizens have ample opportunity to participate in the consolidated planning process. New York State's comprehensive outreach process is a multifaceted program that encourages participation by low- and moderate-income persons, minorities, non-English speaking residents, and persons with disabilities.

The CPP process consists of several steps. To achieve broad participation focused on New York State's housing and rural and small cities' non-housing needs as they relate to people of low- and moderate-income, New York State receives guidance and input on the Consolidated Plan from the NAHA Task Force and the PAC, representing State agencies and statewide/regional organizations, respectively. In addition, the Division of Housing and Community Renewal (DHCR), the Office of Temporary and Disability Assistance (OTDA), and HTFC interact with local governments, community development interests, housing and service providers, and

economic development interests in many arenas beyond the development and implementation of the consolidated planning process. To the extent possible, these interests are included in the development and implementation process by being kept informed, invited to participate at public hearings, and asked to review the Consolidated Plan.

To further meet the local consultation requirements and receive important input on the State's non-housing needs, HTFC and DHCR schedule meetings with local government representatives of the State's non-entitlement communities and a broad range of economic development organizations, not-for-profits, industrial development agencies, local development corporations, and chambers of commerce. In addition, New York State community revitalization officials participate in appropriate conferences and meetings to encourage participation from low- and moderate-income persons from non-entitlement areas.

The Internet is used to disseminate information, making the consolidated planning process easily accessible to local governments, organizations, and residents. In addition, public notices are printed in newspapers with readership across the State (especially in rural areas and non-entitlement cities) including minority newspapers announcing the dates, times, and locations of public hearings. Notices are published in Spanish, as necessary and appropriate.

Finally, as required by 24 CFR 570.486, the CPP includes citizen participation requirements for local governments receiving CDBG funding that will ensure that citizens are provided with reasonable advance notice of, and opportunity to comment on, proposed CDBG applications to the State.

Consultation Process

The New York State Task Force on the National Affordable Housing Act is a committee of Commissioners and staff liaisons of various State agencies. Member agencies are listed in Addendum I.

The senior officials of these agencies provide crucial information concerning their agencies' responsibilities and activities in helping to develop all portions of the Consolidated Plan documents and Amendments, including the State's housing and non-housing community development needs. These State agencies are asked to encourage all of their clients, providers, and non-profit organizations to participate in the consolidated planning process. These agencies, through their extensive network of clients, are urged to seek direct input into the Consolidated Plan. Furthermore, the agencies are asked to disseminate the schedule of Consolidated Plan meetings and public hearing dates. Many of the populations served by these agencies are low- and moderate- income persons.

Input from the NAHA Task Force is provided through a series of meetings and written correspondence. Task Force members submit information to be included in the Consolidated Plan. Members' input is based on their vast amount of work with such groups as low- and moderate-income persons, persons with disabilities, persons with HIV/AIDS, and minority groups as well as industrial development, small business, and economic development interests that are essential to the economic vitality of the State.

The Task Force reviews the draft Consolidated Plan document for appropriate revisions. Once the draft is released for the thirty-day public comment period, the Task Force members are again asked to encourage persons and organizations they serve to comment on the Plan.

The PAC provides additional important input to the Consolidated Plan. The PAC consists primarily of representatives of statewide and regional organizations including not-for-profit, local government, and private business associations. The PAC also includes additional community revitalization representatives such as the New York State Economic Development Council and the New York State Urban Council, Inc., which together provide a comprehensive view of the State's community revitalization needs. The broad-based membership of each organization in the PAC represents a wide range of communities, including the homeless, minorities, low- and moderate-income persons, and persons with disabilities as well as those who provide employment, housing, and revitalization services to these communities. Member organizations are listed in Addendum II.

As in the case of the Task Force, the Partnership Advisory Committee is asked to review the draft Consolidated Plan document prior to the draft's thirty-day comment period. The committee members are asked to make the draft Plan available to their members and encourage participation by their members during the thirty-day public comment period.

Outreach Process

An important outreach tool that New York State officials use is the various conferences and meetings held by statewide housing and community revitalization groups. To the extent feasible, HTFC, OTDA, and DHCR representatives attend available conferences and meetings and distribute information with regard to the Consolidated Plan's development. In addition, HTFC and DHCR hold informational meetings with local government representatives and a broad spectrum of economic development organizations at the local and regional level to obtain input on New York State's rural areas and non-entitlement cities' non-housing needs. The schedule of public hearings is distributed at these meetings (in addition to publishing such schedule as described). Conference and meeting attendees are encouraged to participate in the public hearings.

Accessibility to information is an important component when encouraging citizen input into the consolidated planning process. Consequently, the State distributes information to an appropriately dispersed and readily accessible number of repositories, and makes the information available via the Internet at www.nysdhcr.gov. Types of information that are made available are: a) explanation of what a consolidated plan is and ways to provide input into the Consolidated Plan's development; b) copies of the Consolidated Plan draft; and, c) copies of the final Consolidated Plan.

In addition, DHCR maintains an electronic mailing list designed to provide regularly updated agency information such as event notifications, press releases, and progress and accomplishments of agency programs and initiatives. Interested parties who wish to be on the mailing list can access DHCR's web site at www.nysdhcr.gov and select "Join Our E-Mail List."

Notices are published announcing that New York State is holding public hearings soliciting residents' input on the housing and non-housing community development needs of the State. The notices are printed in newspapers with state-wide access including minority newspapers and also published in Spanish, where necessary and appropriate. The notice provides a toll-free telephone number as well as postal and e-mail addresses to which citizens can direct their comments.

To provide residents the opportunity to comment on community development and non-housing needs, and to encourage participation from low- and moderate-income persons living in the State's non-entitlement communities, and in fulfillment of the requirements of Rules Section 91.115 (b)(3) regarding public hearings, a minimum of three public hearings are held to solicit public input prior to the development of the Consolidated Plan and Annual Action Plans. These public hearings are held at different times of day to enhance opportunities for testimony. In addition, the published notices will also include an invitation to comment in writing directly to DHCR.

A 30-day public comment period is also held to provide an opportunity for the public to submit comments on the draft plan either electronically or in writing.

CDBG Consultations

As required by 24 CFR 570.486, the CPP also requires units of local governments receiving CDBG funding to provide for and encourage citizen participation. This requirement is intended to ensure that all citizens will be given reasonable and timely access to local meetings, information, and records relating to local governments' proposed and actual use of CDBG funds including: the amount of expected available CDBG funding for the current fiscal year (including grant and anticipated program income); listings of eligible activities and estimated funding to be used to meet the national objective of benefiting low- and moderate-income persons; and, descriptions of any activities likely to result in displacement, as well as proposed anti-displacement and relocation plans.

Units of local governments receiving CDBG funding must provide for a minimum of two public hearings per program year, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions. Together the hearings must cover community development and housing needs, development of proposed activities, and a review of program performance.

The public hearings to cover community development and housing needs must be held before submission of an application to the State. There must be reasonable notice of the hearings and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for people with disabilities. Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English residents can reasonably be expected to participate.

Availability of the Consolidated Plan

New York State prepares a draft Consolidated Plan including information regarding the amount of assistance the State expects to receive and the range of activities that may be undertaken including: the estimated amount that will benefit persons of low-and moderate-income, plans to minimize displacement of persons and to assist any persons displaced, a description of economic development assistance available, and the amount of targeted job creation and economic benefit for persons of low- and moderate-income.

To announce the availability of the draft Consolidated Plan, New York State uses a combination of newspaper notices, mass mailings to local governments, dissemination of information through the NAHA and PAC membership network and clients, and the Internet. At every opportunity possible, New York State officials attend various community development organization conferences and information workshops to help publicize the proposed Consolidated Plan. This helps ensure that citizens, public agencies, and other interested parties will have sufficient opportunity to review the draft Consolidated Plan.

The summary of the draft Consolidated Plan is published in newspapers with a notice announcing that copies of the entire draft plan will be available at libraries, government offices and public locations, and on the internet at www.nysdhcr.gov. In addition, copies of the draft plan can be requested by e-mail or by calling DHCR's toll-free number (1-866-ASK-DHCR).

Availability of the Final Consolidated Plan

The final Consolidated Plan and Consolidated Plan documents are available at libraries, county government offices, DHCR and other State Offices and on the Internet at www.nysdhcr.gov under "Publications" and "Key Documents". Copies of the final Consolidated Plan are available from DHCR in electronic format, upon toll-free telephone or written request. The Plan will also, upon request, be available in a form accessible to persons with disabilities. Any substantial amendments will also be made available.

Public Hearings

Rules Section 91.115 (b)(3) requires that the CPP must provide for at least one public hearing before the proposed Consolidated Plan is published for comment.

To provide residents the opportunity to comment on housing and non-housing community development needs, to encourage participation from low- and moderate-income persons living in the state's non-entitlement communities, and in fulfillment of the requirements of Rules Section 91.115 (b)(3) regarding public hearings, a minimum of three public hearings is held to solicit public input prior to the development of the Consolidated Plan and Annual Action Plans. The notice for public hearings is placed in newspapers with statewide circulation and on DHCR's web site. The notice appears at least 14 days before the hearings begin. In addition, the notice of the public hearings is distributed to the NAHA Task Force and the PAC. Members are asked to distribute the notice to their members and clients to encourage participation by low- and moderate-income people.

The Consolidated Plan is published during the required 30-day public comment period. Copies of the public comment period notice are sent to many organizations and local governments in the State. The toll-free number (1-866-ASK-DHCR) and e-mail address DHCRConPln@nysdhcr.gov are used to facilitate the general public's access to information about the public comment period.

As required by 24 CFR 570.486, the CPP includes citizen participation requirements for local governments receiving CDBG funding. Local governments shall hold a minimum of two public hearings, including one hearing prior to submission of CDBG applications to the State. A second hearing is required to advise citizens of funding proposal approvals and review program performance. Public hearings must have reasonable notice, held at times and locations convenient to actual and potential beneficiary populations, and accommodate handicapped and non-English speaking populations. In addition to public hearings, local governments must provide citizens with an opportunity to submit written comments, including the address, phone number, and times for submitting comments, and provide timely written responses, within 15 working days where practicable.

Comment Period

New York State meets the requirements of a public comment period, Section 91.115 (b)(4), by making the draft Consolidated Plan available for review and subject to a 30-day public comment period. Individuals or units of general local government can call 1-866-ASK-DHCR to request more information or a copy of the Plan. In addition, the draft Consolidated Plan is available via the Internet at www.nysdhcr.gov.

The State seeks to expand opportunities for interested parties to comment on the document by posting it on DHCR's web site. The document will contain internal links in specific parts of the document to enable persons to send e-mail comments. In addition, written comments can be submitted during the 30-day comment period to the Office of Intergovernmental Affairs, NYS DHCR, 38-40 State Street, Albany, New York 12207, or DHCRConPln@nysdhcr.gov.

In preparing the final Consolidated Plan, New York State fulfills the requirements of Section 91.115(b)(5) by creating a section of the Consolidated Plan which summarizes the comments of citizens and other interested parties. Also included in this section of the Plan is a summary of any comments not accepted and the reasons for not accepting them.

Amendments

New York State has established primary criteria for determining what changes in the State's planned or actual activities constitute a substantial amendment to the Consolidated Plan. The criteria are:

- a substantial change in the State's allocation priorities or a change in the method of distribution of funds;
- an activity, using funds from any program covered by the Consolidated Plan (including program income), not previously described in the Action Plan; or
- a substantial change in the purpose, scope, location, or beneficiaries of an activity.

New York State will provide reasonable notice of a proposed amendment to the Consolidated Plan. The opportunity to comment on proposed amendments will be provided prior to submission of any such amendment. A period of not less than 30 days will be provided to citizens and other interested parties to comment on the proposed substantial amendment before it is implemented. A toll-free number will be available to request copies of the amendment and, during the 30-day public comment period, interested parties can mail their written comments to the Office of Intergovernmental Affairs, NYS DHCR, 38-40 State Street, Albany, New York 12207, or send them to DHCRConPln@nysdhcr.gov.

The requirements of Section 91.115 (c)(3) will be fulfilled by creating a section of the final amendment to the Consolidated Plan which summarizes the comments on the substantial amendment and also includes a summary of any comments not accepted and the reason therefore.

Performance Reports

To meet the requirements of Section 91-115 (d)(1), New York State provides reasonable notice of and an opportunity to comment on Performance Reports. A period of not less than 15 days is provided to citizens and other interested parties to comment on the Performance Report before it is submitted to HUD. Notices are published in newspapers with statewide circulation informing the public of the report's availability. A toll-free

number (1-866-ASK-DHCR) is available for citizens to request copies of the reports and interested parties can mail their comments to NYS DHCR, 38-40 State Street, Albany, New York 12207, or send them to DHCRConPln@nysdhcr.gov.

The requirements of Section 91.115 (d)(2) are fulfilled by creating a section in the final Consolidated Plan which summarizes the comments on the Performance Report and also includes a summary of any comments not accepted and the reason therefore.

Citizen Complaints
All citizen complaints must be made in writing to NYS DHCR, 38-40 State Street, Albany, New York, 12207. When a citizen complaint is received with regard to the Consolidated Plan, amendments, or Performance Reports, the complaint will be dated and recorded. An acknowledgment of receipt of the complaint will be mailed to the complainant within 15 days. Subsequently, the complaint will then be referred to the most appropriate official for a written response within 45 days of receipt of the complaint.

Access to Records
The State's repository of annual Performance Reports is the most comprehensive collection of information and records relating to the New York State's Consolidated Plan and the State's use of assistance under the programs covered by the Plan during the preceding five years. A citizen may, upon request, receive a copy of this report. All records and reports will be maintained at the offices of the New York State Division of Housing and Community Renewal, 38-40 State Street, Albany, New York 12207 and are available upon written or telephone request. If a report is requested, the report will be provided within a reasonable time period. Upon request, the reports will be made available in a format accessible to persons with disabilities.

Citizen Participation Enhancement
The State of New York has made its CPP more expansive and more inclusive, making the Consolidated Planning Process and related materials more accessible to the general public. Those steps include increasing Partnership Advisory Committee (PAC) membership, describing the process by which organizations can apply for membership, and providing additional electronic avenues by which the public can comment on Consolidated Plan documents and the Consolidated Planning process. Further, DHCR will create a link in its web site to enable direct access to the CPP.

Addendum I

Member Agencies of the New York State Task Force on the National Affordable Housing Act*

1. Office for the Aging
2. Office of Alcoholism and Substance Abuse Services
3. Division of the Budget
4. Division of Criminal Justice Services
5. Developmental Disabilities Planning Council
6. Empire State Development Corporation
7. Department of Health
8. Housing Finance Agency
9. Housing Trust Fund Corporation
10. Division of Housing and Community Renewal
11. Division of Human Rights
12. AIDS Institute
13. Department of Labor
14. Office of Mental Health
15. Office of Mental Retardation and Developmental Disabilities
16. Division of Parole
17. Office of Community Renewal
18. Department of State
19. State of New York Mortgage Agency
20. Office of Temporary and Disability Assistance
21. Department of Transportation
22. Division of Veterans' Affairs
23. Washington Office of the Governor

*As of October, 2009

Addendum II

Member Organizations of the Partnership Advisory Committee*

1. Appalachian Regional Commission
2. Arch Diocese of New York
3. ARISE, Center for Independent Living
4. Association for Community Living
5. Association of Towns of the State of New York
6. Center for Disability Rights
7. Community Preservation Corporation
8. Community Service Society
9. Empire Justice Center
10. Enterprise Community Partners
11. Federation of Protestant Welfare Agencies
12. Greater Rochester Housing Partnership
13. Healthcare Association of New York State
14. Housing Partnership
15. Legal Services for New York City
16. Local Initiatives Support Corporation
17. Long Island Housing Partnership
18. Mental Health Association in New York State
19. National Alliance on Mental Illness
20. Neighborhood Housing Services of New York City
21. Neighborhood Preservation Coalition of New York State
22. NeighborWorks Alliance of New York State
23. New York Association of Homes and Services for the Aging
24. New York Bankers Association
25. NYS Association of Area Agencies on Aging
26. NYS Association of Counties
27. NYS Association Realtors
28. NYS Association of Regional Planning & Development Organizations
29. NYS Association of Renewal and Housing Officials
30. NYS Builders Association
31. NYS Conference of Mayors and Municipal Officials
32. NYS Economic Development Council
33. NYS Independent Living Council
34. NYS Rural Advocates
35. NYS Rural Housing Coalition
36. NYS Urban Council, Inc.
37. PathStone
38. Southern Tier East Regional Planning Board
39. UJA Federation of New York
40. Western New York Independent Living, Inc.

*as of October, 2009

NOTICE OF PUBLIC HEARING
NEW YORK STATE ANNUAL ACTION PLAN

To administer federal funds for the Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), Emergency Shelter Grants (ESGP), and Housing Opportunities for Persons with AIDS (HOPWA) programs, New York State must prepare an Annual Action Plan (AAP). New York State's next AAP will describe the State's anticipated use of federal CDBG, HOME, ESGP, and HOPWA funds in 2010 to address affordable housing and community development needs identified in its Consolidated Plan for 2006-2010. This AAP will also describe the State's methods for distributing these funds to local grantees.

Interested individuals and organizations are encouraged to participate in the development of New York State's 2010 AAP by submitting written comments to: NYS DHCR, Attention: Brian McCarthy, 38-40 State Street, Albany, NY 12207, or DHCRConPln@nysdhcr.gov. All written comments must be received by June 8, 2009.

The Public is encouraged to offer oral comments at public hearings on June 3, 2009 and June 4, 2009. On June 3rd, the first public hearing will be held from 9:00 am until 10:00 am and the second from 2:00 pm until 3:00 pm. On June 4th, the first public hearing will be held from 9:00 am until 10:00 am and the second from 2:00 pm until 3:00 pm. At these dates and times, hearings will be held concurrently at the following four New York State Division of Housing and Community Renewal offices: **25 Beaver Street in New York City; 38-40 State Street in Albany; 620 Erie Boulevard West in Syracuse; and 535 Washington Street in Buffalo.** Each site is accessible to individuals with mobility impairments. Individuals requiring other accommodations should call 1-866-ASK-DHCR (275-3427) by May 27, 2009. Attendees must present a driver's license or other government-issued photo ID upon entry. For additional information call 1-866-ASK-DHCR (275-3427); or e-mail DHCRConPln@nysdhcr.gov.

NEW YORK STATE DRAFT 2010 ANNUAL ACTION PLAN
PUBLIC COMMENT PERIOD ANNOUNCEMENT

Each year, in order to maintain its eligibility to administer certain federal funds for affordable housing and community development, New York State must prepare an Annual Action Plan and submit it to the U.S. Department of Housing and Urban Development.

The Annual Action Plan describes, for one specific Program Year, the State's proposed use of available federal and other resources to address the priority needs and specific objectives in the Consolidated Plan; the State's method for distributing funds to local governments and not-for-profit organizations; and the geographic areas of the State to which it will direct assistance.

The Plan also describes New York State's planned use of approximately $86 million in federal fiscal year 2010 funds for: the NYS Community Development Block Grant Program ($47 million); the HOME Investment Partnerships Program (approximately $34 million); the Housing Opportunities for Persons with AIDS Program ($1.9 million); and the Emergency Shelter Grants Program ($3.2 million).

New York State encourages public participation in the development of its Annual Action Plan. To provide an opportunity for that participation, New York State invites interested persons to review and comment on the draft Annual Action Plan for 2010 during an upcoming public comment period.

This 30-day public comment period will begin on Thursday, September 10, 2009 and extend through close of business on Friday, October 9, 2009. Beginning on September 10, 2009, New York State's draft Annual Action Plan for 2010 may be viewed on and downloaded from the New York State Division of Housing and Community Renewal (DHCR) website at www.nysdhcr.gov. In addition, copies can be requested by e-mail (DHCRConPln@nysdhcr.gov) or by calling 1-866-ASK-DHCR (275-3427).

Comments should be mailed to: NYS DHCR, Attention: Brian McCarthy, 38-40 State Street, Albany, New York 12207 or e-mailed to DHCRConPln@nysdhcr.gov. Comments must be received by close of business Friday, October 9, 2009.

Appendix II

Summary of Public Comments

and Responses

SUMMARY OF COMMENTS
ON THE
ANNUAL ACTION PLAN FOR 2010

ISSUE-SPECIFIC COMMENTS

Affordable and Accessible Housing

Comment: A comment states that there is a disconnect between developers' claims that they would build accessible units but cannot reach the market for them and people with disabilities' claims that the builders are not responsive to the market's needs. An important state level tool for improving accessible housing is the Qualified Allocation Plan (QAP) in which DHCR offers higher incentives in the State Low Income Housing Tax Credit program for those developers who exceed the 5%/2% physical disability/sensory disability access requirement and provide 10%/4% respectively. DHCR should expand these types of incentives to other programs.

Response: The 2009 Unified Funding round included this criteria under the Housing Trust Fund and the HOME program.

Comment: A comment recommends that DHCR make information of Section 504 units more readily available in a manner that service coordinators can easily cross-reference a unit they are reviewing to determine whether it is obligated to meet the 5%/2% requirement under federal law. This would eliminate the inappropriate spending of waiver modification funds on a unit which is already supposed to be fully accessible and place fiscal responsibility for modification where it belongs.

Response: DHCR's website includes the ability to search for only those rental housing developments which have verified handicapped Accessible/Adaptable or Adapted units or are subject to Section 504 Regulations. This address is www.nysdhcr.gov/ahd.htm. www.NYHousingSearch.gov also includes the ability to list and search for housing based on more than 60 different accessible features.

Comment: A comment states that many people with disabilities live on low, fixed incomes and cannot afford the current costs of housing that would allow them to live in the community and receive services. Existing subsidized housing is subject to long waiting lists, forcing many into nursing homes at far greater cost to the state. The comment states that in addition to generating new subsidy programs, the state should mandate a tracking system whereby local housing authorities ensure that existing vouchers targeted toward people with disabilities are in fact serving that population and not the general low-income public. DHCR should facilitate regional housing authorities to work closely with DOH to ensure that Medicaid-eligible people with disabilities are targeted to receive new housing vouchers.

Response: In its statewide administration of DHCR's Housing Choice Voucher

Program, any vouchers specifically designated for persons with disabilities are allocated <u>only</u> to that target population. HUD Form 50058 (Certification of Eligibility) is the appropriate tracking mechanism and includes a field with a disability identifier.

DHCR's Statewide administration of the Voucher Program is accomplished by and through a network of Local Administrators (LAs) under contract with DHCR. In each respective local program area, DHCR's LAs are working with Regional Resource Development Centers to assist persons in the Nursing Home and Transition Diversion (NHTD) Waiver Program. Persons assisted within that initiative are also put on local Voucher Program waiting lists and are converted to Voucher Program assistance when they reach the top of the waiting list.

DHCR does not have direct oversight of other Housing Authorities who administer the Voucher Program under direct HUD supervision. However, in areas where DHCR does not have a locally administered Voucher Program (example: City of Albany), DHCR works closely with those Housing Authorities in the administration of the NHTD Waiver Program.

Comment: A comment commends DHCR's plan to work with the Division of Human Rights (DHR) and HUD to enforce state human rights and fair housing laws. The comment recommends that DHCR also work with DHR and HUD to enforce the accessibility standards of Section 504.

Response: DHCR/HTFC projects developed with HUD funds meet the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, as well as the New York State and New York City Building Code (where applicable) and the Federal Fair Housing Act. In a new construction of multi-family housing with four or more units and an elevator, all units are accessible and visitable. In new construction of multi-family townhouses, DHCR encourages the developers to make projects visitable, where technically feasible.

All DHCR/HTFC funded projects are required to follow the applicable codes, regulations and laws for accessibility which essentially provide that persons with physical disabilities must be provided safe access through a building and its spaces.

Comment: A comment states that DHCR received, and is responsible for administering, $253 million in Tax Credit Assistance Program (TCAP) funding from HUD as a result of the American Recovery and Reinvestment Act of 2009 (ARRA). The comment states that DHCR will use TCAP funding to finance the construction and rehabilitation of over 2,000 affordable housing units throughout the State and all TCAP-assisted projects are subject to the accessibility and other requirements of Section 504. The comment urges diligent enforcement of Section 504 by DHCR, DHR, HFA, and HPD to result in an increase of affordable and accessible housing.

Response: The Tax Credit Assistance Program (TCAP) provides grant funding for capital investment in Low Income Housing Tax Credit (LIHTC) projects via a formula-based allocation to State housing credit allocation agencies. The housing credit agencies in each State must distribute these funds competitively and according to their Qualified Allocation Plan.

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination based upon disability in all programs or activities operated by recipients of Federal financial assistance, including TCAP grantees and the entities to which they provide TCAP funds.

The Section 504 provisions extend to all aspects of program administration and implementation by TCAP grantees, as well as the actual housing projects that receive TCAP funds. Section 504 and its implementing regulations at 24 CFR Part 8 obligate TCAP grantees, subgrantees and project owners to make their programs accessible to persons with disabilities. DHCR has included language in its funding commitment letters that mandates Section 504 compliance under the TCAP Program.

Comment: A comment recommends that DHCR's Office of Fair Housing and Equal Opportunity require marketing plans of all housing projects assisted with TCAP funding to market to and collaborate with Independent Living Centers: community-based, not-for-profit service providers controlled and largely staffed by people with disabilities.

Response: DHCR/HTFC requires compliance with the Fair Housing Act's non-discrimination requirements at the marketing stage of the development it funds. Awardees are required to submit affirmative marketing plans, which must contain a marketing strategy to target minority groups including the disabled community. DHCR/HTFC requires developers to provide extensive verification in their Affirmative Marketing Plans (AMPs) on how they will enforce accessibility for DHCR/HTFC funded projects. Each plan must list a community contact such as an Independent Living Center for the disabled community, which will assist with outreach and placement. Advertisements for rentals and sales must contain equal opportunity and accessibility logos, as well as language stating the accessibility of units.

DHCR/HTFC's Office of Fair Housing and Equal Opportunity (OFHEO) Affirmative Marketing Plan (AMP) Guidelines can be found on DHCR's website at www.nysdhcr.gov under OFHEO forms.

Comment: A comment recommends that DHCR assess the impact of source of income discrimination as a barrier to fair housing for people who receive housing vouchers, disability payments or other types of government assistance to help pay their rent. The comment notes that, beginning in 2008, the New York City Human Rights Law bars landlords from refusing to rent to a person solely on the basis of an income source other than earned wages.

Response: Within required briefings of Housing Choice Voucher participants, DHCR and its Local Administrators provide written and verbal information on participants and may recognize and respond to any observed forms of discrimination they may encounter. In the City of New York, DHCR closely monitors Human Rights Law provisions which prohibit a landlord from discriminating on the basis of income source. In other areas of the State where there are not similar specific Human Rights Law protections, DHCR nonetheless encourages people to submit discrimination complaints if they feel they are being unfairly or arbitrarily treated during their housing search.

Comment: A comment recommends that New York State work more closely with HUD, DHR, and Independent Living Centers to raise the awareness of public housing providers regarding their authority to amend certain aspects of Public Housing Agency Plans and Section 8 Administrative Plans to better accommodate persons with disabilities. The comment also recommends that New York State work with HUD, Independent Living Centers, and the New York Association on Independent Living's Housing Education Project to reach out to public housing residents with disabilities to raise awareness of the public housing program and encourage their participation in the program. Outreach efforts must be accessible to public housing residents with disabilities, including the provision of materials in accessible formats such as Braille and large print in order to maximize their participation. The outreach should include information on Title II of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act, specifically, that tenants with disabilities have the right to request and receive reasonable modifications in public housing authorities' policies, practices, and procedures.

Response: DHCR's to-date administration of the Housing Choice Voucher Program has recognized the need to take additional steps to reach out to those least likely to apply for assistance. The recommendation to consider additional steps that may be taken to further enhance outreach is a valid one and will be considered in DHCR's Voucher Program Administrative Plan and One Year and Five Year PHA Plans.

Definitions

Comment: A comment recommends that when developing housing supports for people with disabilities, DHCR should consider particular definitions of "home" and "community." The comment states: A *home* is a place where a person: is in control of all decisions and governance in the home; chooses who else resides in the home; is afforded privacy; has full freedom of choice regarding activities while in and out of the home; and, lives with a typical number of family members of freely-associating people. A *community* is a place where: there are opportunities for interaction with nondisabled people who are not paid to provide services; there are opportunities for paid work that a nondisabled person would be paid to do if the disabled person were not hired; the activities and settings are freely chosen by the individual; and, there are no restrictions on what types of services or supports can be provided to the individual based on the setting.

Response: As DHCR does not provide or develop any direct housing supports for persons with disabilities, this comment will be shared with State agencies that do provide these supports.

Comment: A comment states that homeless programs target "undomiciled persons." The commenter recommends that the definition of "homeless" also include people who are trying to transition out of facilities and who are without permanent and stable housing. If people in facilities were included in the definition of "homeless," they would be eligible for funds from programs for the homeless.

Response: DHCR defers to OTDA's definition of homeless persons for purposes of Unified Funding review and ranking. This definition is: an undomiciled person (whether alone or as a member of a family) who is unable to secure permanent

and stable housing without special assistance, as determined by the Commissioner of OTDA.

Economic Stimulus

Comment: A comment urges DHCR to be flexible by incorporating the Obama administration's economic stimulus program to accomplish results and sustainability for smaller urban areas throughout New York State.

Response: All areas of the state are in need of stimulus investment, and DHCR is distributing funds in an equitable manner consistent with the objectives of the American Recovery and Reinvestment Act (ARRA).

Home Safety Education

Comment: A comment urges DHCR to include home safety education as part of its housing goals in the New York State Annual Action Plan. The comment states that unintentional injuries in the home are a leading cause of death in children and the elderly and create an enormous economic burden to individuals, employees and to New York State. The most effective way to prevent injuries is to take relatively low-cost preventative actions, including research-based safety education that motivates people to keep themselves and their families safe.

Response: The MISCC Housing Committee includes State agencies such as the New York State Office for the Aging (NYSOFA), the Department of Health (DOH), and the Office of Family and Children's Services (OCFS) that provide supports to individuals and families to help them live independently in a home of their choice. DHCR will forward this comment to those appropriate agencies for their review.

Visitability

Comment: It is commendable that DHCR states that applicants for HOME funds receive preference for funding if building visitable homes. Low income Housing Credit (LIHC) program projects that receive funding also must meet visitability standards. It is recommended that all homes that receive state funds should be visitable. Efforts should be focused on making new units accessible because building accessible units is more cost-effective than rehabilitating existing units to meet accessibility standards. NYS should work with private developers to advance visitability efforts.

Response: Visitability and the criteria established under DHCR's Unified Funding process has been shared through the MISCC Housing Committee with other State housing funders. In addition, DHCR reviews its funding criteria with potential applicants, including non-profit and private developers during the Unified Funding application process.

Senior Housing

Comment: A comment states that the need for senior housing in New York State is tremendous, specifically in the New York City area and affordable housing programs are a critical piece of seniors maintaining their wellness and independence in New York.

CDBG and HOME programs, specifically, are very important for building and maintaining affordable senior housing throughout New York. The comment states that there is a downturn of senior housing development in New York while the number of seniors has dramatically increased. The comment states that there is not enough capital when developing senior housing in the initial development round in both the federal senior housing program and for state programs, including tax credit development. The comment further states that in Section 202, gap funding is needed which is why providers of senior living and low-income housing will go to the HOME and CDBG programs to find gap financing for development.

Response: The Office of Community Renewal recognizes the need for the construction of affordable senior housing. However, regulatory limitations on the eligibility of construction of new housing make it difficult for these types of projects to be funded through the NYS CDBG program. These regulatory limitations have steered applicants seeking funding for senior housing to other financial resources. Due to the lack of interest in funding for new construction projects, this category of funding was eliminated from the annual competitive round.

A preliminary data analysis reveals that HTFC funding awards for senior housing have not declined, but have held steady since 2004. Additionally, the HTFC HOME application rating criteria gives preference to applicants targeting persons with disabilities – which includes aging New Yorkers. In addressing the second portion of the comment, New York State encourages development of projects which leverage funds from various sources.

Comment: A comment requests that there be consideration in the Annual Action Plan on the need for senior housing and the importance of both the HOME and CDBG programs to really highlight this critical growing need.

Response: Because of the diverse needs of New York's units of local government, the Office of Community Renewal has developed a locally driven CDBG program and has determined that the needs and priorities of each community should be established by the unit of local government. Historically, units of local government that have determined that senior housing is a community need that should be addressed with CDBG funding have established such programs under our housing rehabilitation category.

While we could certainly highlight this in the Action Plan, the HOME rating criteria gives preference to applicants targeting persons with disabilities – which includes aging New Yorkers.

Comment: A comment thanks DHCR for their support in the use of weatherization funds available as part of the Stimulus package through the HOME program which has been an important and critical piece of the operating and capitalization needs for senior housing. The comment further states that if money from Weatherization could be spent on window replacements for facilities then that would be a tremendous cost-savings in the future.

Response: DHCR has actively encouraged coordination of the Weatherization Assistance Program with other State- and Federally-assisted housing programs,

and recently made available some $50 million in American Recovery and Reinvestment Act Weatherization funds targeted to multi-family housing such as senior housing. These funds will help to preserve important affordable housing assets through investment in cost-effective energy conservation measures. Where cost-effective, window repair and replacement is an eligible measure.

Comment: A comment states that there is a need for senior housing with supportive services coordinated around public transportation. Not only housing is important but the supportive services that go with affordable housing are a critical component to keep people independent and able to allow them to stay in affordable housing and not go to a higher-cost nursing home for assisted living.

Response: NYHousingSearch.gov allows searches to identify transportation options, including para-transit options through Google mapping services and accessible feature functions. Searchers of all ages can specify proximity to transportation options while looking for housing through the site.

Comment: A comment inquires as to how DHCR properties might strive to include the Assisted Living Program (ALP) into senior housing to allow people that need more assistance to remain independent in their homes.

Response: DHCR works with a number of other New York State agencies, including the Department of Health and the Office for the Aging, on how service programs can be accessed by occupants of affordable housing. Eligibility for these partnerships vary by housing funding source and by the Unified Funding competitive process.

Comment: A comment states a concern that the need for supportive services requires an integrated approach among State agencies and in the creation of the State budget. Agencies such as the Office for the Aging, the Department of Health, and the Division of Housing and Community Renewal need to work together and with providers and other interested parties to look at a holistic approach on how to keep people independent.

Response: Through a number of interagency efforts and individually with other State agencies, DHCR continues to work to assist individuals and families to live in the home of their choice and access services of their choice. DHCR chairs the Housing Committee of the Most Integrated Setting Coordinating Council (MISCC) which includes State agency staff from the Office for the Aging, the Department of Health, the Office of Temporary and Disability Assistance, the Office of Mental Health, the Office of Mental Retardation and Developmental Disabilities, as well as advocates and housing providers.

Comment: A comment states that public policy is moving toward more home and community-based services and that funding needs to follow that trend. CDBG and HOME funds are a very important part of the picture.

Response: The NYS CDBG Program is limited to the amount of funding that can be allocated to public service activities. Additionally, the Office of Community Renewal has found that providing funding for the construction and rehabilitation of facilities meets a critical need that is not addressed by many other funding sources. Providing funding for eligible home and community-based services will

only be temporary under the CDBG Program and other more permanent streams of funding would be more beneficial to the clients of the services.

The NYS HOME Program provides funds for many activities that can assist those people depending on home and community-based services. Our housing rehabilitation programs assist homeowners and tenants who reside in buildings that need rehabilitation (owner-occupied rehabilitation and rent rehabilitation). Not only does DHCR/HTFC allow funds to be utilized to rehabilitate the units, we also require that all HOME-funded activities meet HTFC rehabilitation standards upon completion. Our homebuyer assistance program has been used to assist people with special needs to purchase (and rehab when necessary) their first home, and our tenant-based rental assistance program provides rental assistance to low-income individuals. All units receiving HOME's tenant-based rental assistance must meet the Housing Trust Fund's property standards which allow the tenant to live in decent, safe, affordable housing. Finally, HOME provides funds for Community Housing Development organizations (CHDO) Home ownership projects where CHDO developer applicants can use HOME funds to develop single family (1-4 unit) home ownership projects. These projects can be earmarked for any target group that the developer chooses. HOME scoring criteria gives preference to several special needs groups.

PROGRAM-SPECIFIC COMMENTS

Access to Home Program

Comment: A comment commends DHCR's commitment to Access to Home because home modifications are essential to keeping people with disabilities in the community and out of a nursing home. The comment recommends that DHCR expand availability of home modifications under Access to Home to renters because currently the program is limited to property owners. Renters cannot apply for these funds. The comment also states that DHCR maintain funding for Access to Home despite the difficult budget climate.

Response: Access to Home can be used by Local Program Administrators to modify homes occupied by either owners or renters.

Comment: A comment recommends ways DHCR can maximize the Department of Health's Nursing Facility Transition and Diversion (NFTD) Waiver home modification funding:

- require Access to Home providers to be Medicaid waiver providers
- establish a process for Access to Home grantees to set aside working capital for waiver home modification services, thus drawing down federal dollars. The capital would be reimbursed via the waiver's modification funding stream
- mandate that providers of Access to Home refer applicants to the local regional Resource Development Center (RRDC) as potential eligible waiver participants. Access to Home could thus become a portal to the NFTD Waiver.

Response: DHCR is working with the Department of Health on maximizing the limited and valuable resources of Access to Home and other environmental

modification programs. These comments will be considered under this partnership.

Comment: A comment congratulates DHCR on the success and effectiveness of the Access to Home Program. The comment recommends that Access to Home Program be made more available to renters by: collaborating with Independent Living Centers and the Housing Education project to publicize to low- and moderate-income renters with disabilities that the program is open to them and not exclusively or mainly for homeowners; drafting guidelines that explain the program and address concerns specific to renters; revisiting the existing program requirement that renters must occupy their Access to Home-modified unit for at least 5 years, and consider lowering the number of years required; and, providing information on DHCR's website about the Fair Housing Act and the New York State Human Rights Law and the rights and responsibilities these laws confer upon renters in making modifications through the Access to Home Program to their units or the common area.

Response: DHCR is collaborating with Independent Living centers and the Housing Education project in several areas, including Access to Home and NYHousingSearch.gov.

Low-Income Housing Credit (LIHC)

Comment: A comment recommends that DHCR review North Carolina's and Pennsylvania's Qualified Allocation Plans (QAP) for best practices that might be incorporated into New York State's Low Income Housing Credit QAP.

Response: Every year, DHCR reviews the QAPs of North Carolina, Pennsylvania, and various other states for guidance on issues such as energy efficiency, historic rehab, basis boost, and mixed income. DHCR reviewed how these states use threshold and scoring in relation to these items, and used this as a basis for certain proposed changes to DHCR's 2010 QAP.

Comment: A comment states that the tax credit program is a successful program, but it reaches more middle-income seniors rather than low-income seniors. The comment states that a major concern is that the low-income seniors do not get any Section 8 with a tax credit program.

Response: Low-income seniors who are at 30% or below of AMI are eligible for Section 8 vouchers. In 2009, DHCR awarded tax credits to 15 senior projects state-wide. While all units are available to seniors earning at or below 60% of AMI, some projects also included units set aside for seniors at public assistance level.

Most Integrated Setting Coordinating Council (MISCC)

Comment: A comment states that the Most Integrated Setting Coordinating Council (MISCC) Housing Committee, although more advanced in their planning efforts than other MISCC Committees, still has no concrete Olmstead plan to ensure that people are not placed in nursing facilities simply because they do not have an accessible, affordable, integrated housing option available. DHCR is urged to focus on actual action steps that reform the system so people can receive services in the most integrated

setting.

Response: The MISCC Housing Committee is responsible for submitting a committee 2010 action plan to be included in the MISCC 2010 plan.

NYHousingSearch.gov

Comment: A comments states that the new housing registry, NYHousingSearch.gov, is a step in the right direction for creating a user-friendly resource for identifying accessible, affordable, integrated housing. The comment states that the registry must be updated frequently and constantly promoted so that users will actually receive a comprehensive list from their search. The comment recommends:

- an option be provided for "Resources to make your home accessible" that would directly link to a list of local providers that do home modifications.
- remove the PDFs that can make websites inaccessible for screen reading and screen magnification software
- provide a useful list of fully integrated apartment units in addition to the more in-depth search options available on the site. There is a segment of the population who prefer assisted living but these facilities closely resemble nursing homes and should not be presented in a way that confuses people searching for fully integrated units.

Response: DHCR, along with supporting partners Department of Health and the Office of Mental Retardation and Developmental Disabilities, is continuing to refine NYHousingSearch.gov. These comments will be included in consideration for these updates.

Appendix III

State Certification Forms

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

2. Establishing an ongoing drug-free awareness program to inform employees about -

   (a) The dangers of drug abuse in the workplace;

   (b) The grantee's policy of maintaining a drug-free workplace;

   (c) Any available drug counseling, rehabilitation, and employee assistance programs; and

   (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;

4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -

   (a) Abide by the terms of the statement; and

   (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant

officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -

   (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

   (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Deborah Van Tiegh 11.3.09

Signature/Authorized Official Date

Commissioner

Title

Specific CDBG Certifications

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments -- It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;

2. It engages in or will engage in planning for community development activities;

3. It provides or will provide technical assistance to units of local government in connection with community development programs; and

4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds -- It has complied with the following criteria:

1. **Maximum Feasible Priority**. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);

2. **Overall Benefit**. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2010 2011, and 2012 (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. **Special Assessments**. The state will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.

Signature/Authorized Official 11/4/09
Date

DEPUTY COMMISSIONER
Title

Specific HOME Certifications

The State certifies that:

Tenant Based Rental Assistance -- If it intends to provide tenant-based rental assistance:

> The use of HOME funds for tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Appropriate Financial Assistance -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

Amy Holleale 10/27/09

Signature/Authorized Official Date

Deputy Commissioner for Community Development

Title

ESG Certifications

The State seeking funds under the Emergency Shelter Program (ESG) certifies that it will ensure that its recipients of ESG funds comply with the following requirements:

Major rehabilitation/conversion -- In the case of major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the rehabilitation is not major, the recipient will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

Essential Services and Operating Costs -- Where the assistance involves essential services or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

Renovation -- Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services -- It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal State, local, and private assistance for such individuals.

Matching Funds -- It will obtain matching amounts required under 24 CFR 576.51 and 42 *USC* 11375, including a description of the sources and amounts of such supplemental funds, as provided by the State, units of general local government or nonprofit organizations.

Confidentiality -- It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement -- To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted through this program, and in providing services for occupants of such facilities.

Consolidated Plan -- It is following a current HUD-approved Consolidated Plan or CHAS.

Discharge Policy -- -- It has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

HMIS – It will comply with HUD's standards for participation in a local Homeless Management Information System and the collection and reporting of client-level information.

Signature/Authorized Official 10/26/09
Date

Director
Title

HOPWA Certifications

The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,

2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Signature/Authorized Official

10/26/09
Date

Director
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352 title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

B. Drug Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.

2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. For grantees other than individuals, Alternate I applies. (This is the information to which jurisdictions certify).

4. For grantees who are individuals, Alternate II applies. (Not applicable jurisdictions).

5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).

7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).

8. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

NYS Division of Housing and Community Renewal (DHCR), 38-40 State Street, Albany, Albany, NY 12207
NYS DHCR, Buffalo Regional Office, Electric Tower, Suite 105, 535 Washington Street, Buffalo, Erie, NY 14203
NYS DHCR, Capital District Regional Office, 38-40 State Street, Albany, Albany, NY 12207
NYS DHCR, New York City Regional Office, 25 Beaver Street, New York, New York, NY 10004
NYS DHCR, Syracuse Regional Office, 620 Erie Blvd, West, Suite 312, Syracuse, Onondaga, NY 13204
NYS Office of Community Renewal, 38-40 State Street, Albany, Albany, NY 12207
Empire State Development, 620 Erie Boulevard West, Suite 112, Syracuse, Onondaga, NY 13204
NYS Office of Temporary and Disability Assistance, 40 North Pearl Street, Albany, Albany, NY 12243

Check _____ if there are workplaces on file that are not identified here.

The certification with regard to the drug-free workplace is required by 24 CFR part 21.

9. Definition of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules.

   "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

   "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

   "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

   "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Appendix IV

Standard Form 424

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

*1. Type of Submission:	*2. Type of Application	* If Revision, select appropriate letter(s)
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	*Other (Specify)
☐ Changed/Corrected Application	☐ Revision	

3. Date Received:

4. Applicant Identifier: B-08-DC-36001

5a. Federal Entity Identifier:

*5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*a. Legal Name: State of New York

*b. Employer/Taxpayer Identification Number (EIN/TIN): 14-6013200

*c. Organizational DUNS: 004895517

d. Address:

*Street 1: 38-40 State Street
Street 2: Hampton Plaza
*City: Albany
County: Albany
*State: New York
Province:
*Country: USA
*Zip / Postal Code 12207

e. Organizational Unit:

Department Name: NYS Office of Community Renewal

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms. *First Name: Gail
Middle Name:
*Last Name: Hammond
Suffix:

Title: Director

Organizational Affiliation: NYS Office of Community Renewal

*Telephone Number: 518-474-2057 Fax Number: 518-474-5247

*Email: ghammond@nysdhcr.gov

Application for Federal Assistance SF-424 Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-228

CFDA Title:

New York State CDBG

***12 Funding Opportunity Number:**

MBL-SF 424 Family-All Forms

*Title:

MBL-SF 424 Family-All Forms

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Entire State

***15. Descriptive Title of Applicant's Project:**

State-administered Community Development Block Grant Program

Application for Federal Assistance SF-424 Version 02

16. Congressional Districts Of:

*a. Applicant: State of New York *b. Program/Project: Entire State

17. Proposed Project:

*a. Start Date: January 1, 2010 *b. End Date: December 31, 2010

18. Estimated Funding ($):

*a. Federal	47,000,000
*b. Applicant	
*c. State	
*d. Local	
*e. Other	
*f. Program Income	
*g. TOTAL	47,000,000

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on _____

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E. O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

☐ Yes ☒ No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Mr. *First Name: Joseph

Middle Name: J.

*Last Name: Rabito

Suffix:

*Title: Deputy Commissioner, OCR

*Telephone Number: 518-474-2057 Fax Number: 518-474-5247

* Email: JRabito@nysdhcr.gov

*Signature of Authorized Representative: *Date Signed: 11/4/09

Applicant Assurances and Certifications

U.S. Department of Housing and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2011)

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual must provide the following assurances and certifications. By submitting this form, you are stating that to the best of your knowledge and belief, all assertions are true and correct.

As the duly authorized representative of the applicant, I certify that the applicant [Insert below the Name and title of the Authorized Representative, name of Organization and the date of signature]:

Name: Joseph Rabito, Title: Deputy Commissioner.
Organization: Office of Community Renewal, Date: 10/30/2009.

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the applicant to act in connection with the application and to provide any additional information as may be required.
2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and implementing regulations (24 CFR Part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance **OR** if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).
3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR Part 8, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07), as amended, and implementing regulations at 24 CFR Part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR Part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin; except an applicant which is an Indian tribe or its instrumentality which is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
5. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR Part 24 and 24 CFR 42, Subpart A.
6. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C.4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR parts 50 or 58.
7. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly.

Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

These certifications and assurances are material representations of the fact upon which HUD can rely when awarding a grant. If it is later determined that, I the applicant, knowingly made an erroneous certification or assurance, I may be subject to criminal prosecution. HUD may also terminate the grant and take other available remedies.

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

*1. Type of Submission:
- ☐ Preapplication
- ☒ Application
- ☐ Changed/Corrected Application

*2. Type of Application
- ☒ New
- ☐ Continuation
- ☐ Revision

* If Revision, select appropriate letter(s)

*Other (Specify)

3. Date Received:

4. Applicant Identifier:

5a. Federal Entity Identifier:

*5b. Federal Award Identifier:
M-08-SG-36-0100

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*a. Legal Name: State of New York

*b. Employer/Taxpayer Identification Number (EIN/TIN):
14-1675062

*c. Organizational DUNS:
004895517

d. Address:

*Street 1: 38-40 State Street
Street 2: Hampton Plaza
*City: Albany
County: Albany
*State: New York
Province:
*Country: USA
*Zip / Postal Code 12207

e. Organizational Unit:

Department Name:
Housing Trust Fund Corporation

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms.
*First Name: Patricia
Middle Name:
*Last Name: Doyle
Suffix:

Title: Director, New York State HOME Program

Organizational Affiliation:
NYS Division of Housing and Community Renewal

*Telephone Number: 518-473-2569
Fax Number: 518-474-9907

*Email: pdoyle@nysdhcr.gov

Application for Federal Assistance SF-424 Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-239

CFDA Title:

***12 Funding Opportunity Number:**

*Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

State of New York

***15. Descriptive Title of Applicant's Project:**

New York State HOME Program

Application for Federal Assistance SF-424 Version 02

16. Congressional Districts Of:

*a. Applicant: Entire State *b. Program/Project: Entire State

17. Proposed Project:

*a. Start Date: January 1, 2010 *b. End Date: December 31, 2010

18. Estimated Funding ($):

*a. Federal	38,600,000
*b. Applicant	
*c. State	4,487,500
*d. Local	
*e. Other	
*f. Program Income	1,000,000
*g. TOTAL	44,087,500

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on _____

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E. O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

☐ Yes ☒ No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Mr. *First Name: Gary

Middle Name:

*Last Name: Hallock

Suffix:

*Title: President, Housing Trust Fund Corporation

*Telephone Number: 518-474-3022 Fax Number: 518-486-3410

* Email: ghallock@nysdhcr.gov

*Signature of Authorized Representative: Gary Hallock *Date Signed: 10/27/09

Applicant Assurances and Certifications

U.S. Department of Housing and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2011)

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual must provide the following assurances and certifications. By submitting this form, you are stating that to the best of your knowledge and belief, all assertions are true and correct.

As the duly authorized representative of the applicant, I certify that the applicant [Insert below the Name and title of the Authorized Representative, name of Organization and the date of signature]:

Name: Gary Hallock, Title: President.

Organization: Housing Trust Fund Corporation, Date: 10/30/2009.

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the applicant to act in connection with the application and to provide any additional information as may be required.
2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and implementing regulations (24 CFR Part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance **OR** if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).
3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR Part 8, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07), as amended, and implementing regulations at 24 CFR Part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR Part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin; except an applicant which is an Indian tribe or its instrumentality which is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
5. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR Part 24 and 24 CFR 42, Subpart A.
6. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C.4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR parts 50 or 58.
7. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly.

Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

These certifications and assurances are material representations of the fact upon which HUD can rely when awarding a grant. If it is later determined that, I the applicant, knowingly made an erroneous certification or assurance, I may be subject to criminal prosecution. HUD may also terminate the grant and take other available remedies.

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

*1. Type of Submission:	*2. Type of Application	* If Revision, select appropriate letter(s)
☐ Preapplication	☐ New	
☒ Application	☒ Continuation	*Other (Specify)
☐ Changed/Corrected Application	☐ Revision	

3. Date Received:	4. Applicant Identifier:
10/01/2009	S-09-DC-36-0100

5a. Federal Entity Identifier:	*5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:	7. State Application Identifier:

8. APPLICANT INFORMATION:

*a. Legal Name: New York State Office of Temporary and Disability Assistance

*b. Employer/Taxpayer Identification Number (EIN/TIN):	*c. Organizational DUNS:
14-6013200	80-6781860

d. Address:

*Street 1: 40 North Pearl Street, 10B
Street 2:
*City: Albany
County: Albany
*State: New York
Province:
*Country: USA: UNITED STATES
*Zip / Postal Code 12243-0100

e. Organizational Unit:

Department Name:	Division Name:
The Center for Specialized Services	Bureau of Housing and Support Services

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr. *First Name: Richard
Middle Name:
*Last Name: Umholtz
Suffix:

Title: Assistant Director, Services Program Unit

Organizational Affiliation:

*Telephone Number: 518-474-3080 Fax Number: 518-486-7068

*Email: richard.umholtz@otda.state.ny.us

Application for Federal Assistance SF-424 Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-231

CFDA Title:

***12 Funding Opportunity Number:**

MBL-SF424FAMILY-ALLFORMS

*Title:

MBL-SF424Family-AllForms

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

New York State

***15. Descriptive Title of Applicant's Project:**

Emergency Shelter Grants Program

Application for Federal Assistance SF-424 Version 02

16. Congressional Districts Of:

*a. Applicant: All of State *b. Program/Project: All of State

17. Proposed Project:

*a. Start Date: October 1, 2008 *b. End Date: September 30, 2010

18. Estimated Funding ($):

*a. Federal	$3,277,009
*b. Applicant	
*c. State	
*d. Local	
*e. Other	
*f. Program Income	
*g. TOTAL	$3,277,009

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on _____

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E. O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

☐ Yes ☒ No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Mr. *First Name: Scott

Middle Name:

*Last Name: Edwards

Suffix:

*Title: Director

*Telephone Number: 518-474-1051 Fax Number: 518-486-7068

* Email: scott.edwards@otda.state.ny.us

*Signature of Authorized Representative: *Date Signed: 10/26/09

Applicant Assurances and Certifications

U.S. Department of Housing and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2011)

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual must provide the following assurances and certifications. By submitting this form, you are stating that to the best of your knowledge and belief, all assertions are true and correct.

As the duly authorized representative of the applicant, I certify that the applicant [Insert below the Name and title of the Authorized Representative, name of Organization and the date of signature]:

Name: Scott Edwards, Title: Director.

Organization: NYS OTDA, Date: 10/30/2009.

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the applicant to act in connection with the application and to provide any additional information as may be required.
2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and implementing regulations (24 CFR Part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance **OR** if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).
3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR Part 8, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07), as amended, and implementing regulations at 24 CFR Part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR Part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin; except an applicant which is an Indian tribe or its instrumentality which is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
5. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR Part 24 and 24 CFR 42, Subpart A.
6. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C.4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR parts 50 or 58.
7. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly.

Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

These certifications and assurances are material representations of the fact upon which HUD can rely when awarding a grant. If it is later determined that, I the applicant, knowingly made an erroneous certification or assurance, I may be subject to criminal prosecution. HUD may also terminate the grant and take other available remedies.

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

*1. Type of Submission:	*2. Type of Application	* If Revision, select appropriate letter(s)
☐ Preapplication	☐ New	
☒ Application	☒ Continuation	*Other (Specify)
☐ Changed/Corrected Application	☐ Revision	

3. Date Received:

4. Applicant Identifier: NYH09-F999

5a. Federal Entity Identifier:

*5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*a. Legal Name: New York State Office of Temporary and Disability Assistance

*b. Employer/Taxpayer Identification Number (EIN/TIN): 14-6013200

*c. Organizational DUNS: 80-6781860

d. Address:

*Street 1: 40 North Pearl Street, 10B

Street 2:

*City: Albany

County: Albany

*State: New York

Province:

*Country: USA: UNITED STATES

*Zip / Postal Code 12243-0100

e. Organizational Unit:

Department Name: The Center for Specialized Services

Division Name: Bureau of Housing and Support Services

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr.

*First Name: Richard

Middle Name:

*Last Name: Umholtz

Suffix:

Title: Assistant Director, Services Program Unit

Organizational Affiliation:

*Telephone Number: 518-474-3080

Fax Number: 518-486-7068

*Email: richard.umholtz@otda.state.ny.us

Application for Federal Assistance SF-424 Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-241

CFDA Title:

***12 Funding Opportunity Number:**

MBL-SF424FAMILY-ALLFORMS

*Title:

MBL-SF424Family-AllForms

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

HOPWA non-direct entitlement areas of New York State

***15. Descriptive Title of Applicant's Project:**

Housing Opportunities for Persons with AIDS Program

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

16. Congressional Districts Of:

*a. Applicant: All of State *b. Program/Project: All of State

17. Proposed Project:

*a. Start Date: January 1, 2010 *b. End Date: December 31, 2012

18. Estimated Funding ($):

*a. Federal	$1,938,459
*b. Applicant	
*c. State	
*d. Local	
*e. Other	
*f. Program Income	
*g. TOTAL	$1,938,459

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on _____

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E. O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

☐ Yes ☒ No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Mr. *First Name: Scott

Middle Name:

*Last Name: Edwards

Suffix:

*Title: Director

*Telephone Number: 518-474-1051 Fax Number: 518-486-7068

* Email: scott.edwards@otda.state.ny.us

*Signature of Authorized Representative: *Date Signed: 10/26/09

Authorized for Local Reproduction

Standard Form 424 (Revised 10/2005)
Prescribed by OMB Circular A-102

Applicant Assurances and Certifications

U.S. Department of Housing and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2011)

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual must provide the following assurances and certifications. By submitting this form, you are stating that to the best of your knowledge and belief, all assertions are true and correct.

As the duly authorized representative of the applicant, I certify that the applicant [Insert below the Name and title of the Authorized Representative, name of Organization and the date of signature]:

Name: Scott Edwards, Title: Director.

Organization: NYS OTDA, Date: 10/30/2009.

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the applicant to act in connection with the application and to provide any additional information as may be required.
2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and implementing regulations (24 CFR Part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance **OR** if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).
3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR Part 8, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07), as amended, and implementing regulations at 24 CFR Part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR Part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin; except an applicant which is an Indian tribe or its instrumentality which is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
5. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR Part 24 and 24 CFR 42, Subpart A.
6. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C.4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR parts 50 or 58.
7. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly.

Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

These certifications and assurances are material representations of the fact upon which HUD can rely when awarding a grant. If it is later determined that, I the applicant, knowingly made an erroneous certification or assurance, I may be subject to criminal prosecution. HUD may also terminate the grant and take other available remedies.

Appendix V

Substantial Amendments to Consolidated Plan
2008 Action Plan

THE NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): New York State Jurisdiction Web Addresses: www.nyhomes.org and www.nysdhcr.gov	NSP Contact Person: Arlo Chase Address: 641 Lexington Ave. New York, NY 10022 Telephone: 212-688-0307 Fax: 917 274-0307 Email: achase@nyhomes.org

Executive Summary

This document is a substantial amendment to the New York State Consolidated Plan for 2006 to 2010 and the subsequent Action Plan for Program Year 2008 submitted by the State of New York (the "Amendment"). Included herein is the expected distribution and use of New York State's direct allocation of funds received through the U.S. Department of Housing and Urban Development's ("HUD") recently announced Neighborhood Stabilization Program ("NSP"). NSP is being provided through HUD's Community Development Block Grant ("CDBG") Program as authorized by the U.S. Housing and Economic Recovery Act of 2008 ("HERA"). NSP was established by HUD to provide emergency assistance to state and local governments to assist in the redevelopment of foreclosed and abandoned properties that might otherwise become sources of blight within their communities and to respond to declining home values.

In total, New York State received allocations of $100.3 million, of which $54.5 million was allocated directly to the State (the "Direct NSP Allocation"). The remainder was distributed by HUD directly to the six CDBG entitlement jurisdictions hardest hit by the foreclosure crisis in New York State. Direct NSP awards were made by HUD to: New York City, Nassau County, Suffolk County, the Town of Babylon, the Town of Islip, and Orange County (each, a "Direct Entitlement Jurisdiction").

The State of New York Housing Finance Agency ("HFA") will implement New York State's Direct NSP Allocation, and will work in cooperation with the New York State Division of Housing and Community Renewal, the agency responsible for the State's Consolidated Plan and the administration of New York State's regular CDBG Program. New York State will also work in conjunction with the State of New York Mortgage Agency and the New York State Affordable Housing Corporation to facilitate the most efficient implementation of the New York State's Neighborhood Stabilization Program.

According to HUD, priority in allocating the NSP funds shall be made to areas of greatest need and to projects that will have a meaningful impact on their communities. HUD thereby requires that NSP funds be targeted to areas of greatest need within New York State and be obligated to specific projects within 18 months. As more fully described herein and in response to HUD's requirements, HFA intends to issue a Request for Proposals ("RFP") that will allocate in an initial funding round the State's Direct NSP Allocation to areas with high Risk Scores (as defined herein), subject to each area's Initial Funding Round Cap (as defined herein).

A. Areas of Greatest Need

Statutory and Regulatory Background

In response to the recent foreclosure crisis and declining home values, Section 2301 of HERA provides $3.92 billion to state and local governments (as such terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) for emergency assistance with redeveloping abandoned and foreclosed homes under NSP.

The HERA statute (2301 (C)(2)) directs state and local governments to invest these funds as a matter of priority in "areas of greatest need", which are defined by three major determinants:

1) the greatest percentage of home foreclosures;
2) the highest percentage of homes financed by a subprime mortgage related loan; and
3) most likely to face a significant rise in the rate of home foreclosures.

In accordance with federal law and the rules and regulations of HUD, New York State must prepare a Consolidated Plan ("ConPlan") in order to receive federal funding for certain affordable housing and community development activities. As part of the New York State ConPlan for Federal Fiscal Years, 2006-2010, New York State conducted an extensive analysis of housing needs based on data from the 2000 Census, providing analysis by income category and household type to guide funding decisions for housing. In addition, each local jurisdiction has provided HUD with consolidated plans for their area detailing need. However, since the completion of the New York State ConPlan and subsequent amendments, widespread foreclosure problems have plagued communities across the State and nation. HERA requires an NSP substantial amendment to the ConPlan to assess the greatest need for emergency assistance to respond to the foreclosure crisis.

New York State has been very careful in drafting a coordinated response to the foreclosure crisis. First, New York State's Governor and Executive Chamber convened an interagency task force to Halt Abusive Lending Transactions (the "HALT Task Force") in July 2007, comprised of all state agencies that relate to the housing and mortgage markets. New York State's response to the foreclosure crisis has included each of the following: legislative action to help existing borrowers and prevent unnecessary foreclosures; expanding the state's anti-predatory lending laws; state funding for home counseling and legal services; outreach and education campaigns; and a state refinancing loan program. This multi-faceted approach is necessitated because of the complexity of the housing crisis impacting New York State. For example, many of the upstate cities and adjoining first ring suburbs have long-standing foreclosed and abandoned property issues that relate to loss of population and jobs in addition to sub-prime lending practices. Many of the foreclosure problems in the downstate communities (New York City, Long Island, Westchester, and the lower Hudson Valley) are related to high housing costs and low affordability combined with rapidly escalating interest rates and loan costs of subprime lending. The State's Neighborhood Stabilization Program must allow for local responses to these varying conditions.

Although foreclosure problems are significant and growing in New York State, the State is not among the top 10 states in terms of percentage of subprime lending or foreclosures. Part of the reason foreclosure statistics lag in New York State is due to the strict and lengthy process for foreclosures designed to provide adequate protection to homeowners. Therefore, the State's Neighborhood Stabilization Program must look prospectively at where the greatest risks of foreclosure exist.

Methodology and Needs Assessment

In conducting its needs assessment, New York State has recognized HUD's substantial effort and thoughtful analysis of need and has relied on two of their data sets, in addition to the State's own research, in order to focus efforts on areas of greatest need.

In addition to the data analysis identified in more detail below, HFA conducted three public input sessions with HUD officials, local governments, State agency partners and non-profit housing providers. These sessions were not a mandated part of HUD's requirements, but rather were designed to inform the State's approach to this Amendment. In addition, HFA solicited non-binding indications of interest in NSP funding from localities and non-profits (the "Indications of Interest") to further shape this Amendment, and received close to 50 proposals for use of NSP funds. These proposals, together with the analysis of the areas of the greatest need, have informed the development of this Amendment, in particular our response to Section G herein.

Data

The State will rely on two of HUD's data sets, as well as information from the Governor's HALT Task Force, to target the State's Direct NSP Allocation to areas of greatest need and to projects that will have a meaningful impact in their communities.

First, the State will rely on HUD's Estimated Foreclosure Abandonment Risk Score (the "Risk Score") in order to prioritize and allocate the State's Direct NSP Allocation. The Risk Score measures the estimated foreclosure and abandonment risk of every census tract block group in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Specifically, subject to the Initial Funding Round Cap described below, the State will restrict its initial allocation of its Direct NSP Allocation to zip codes having at least one census tract block group with a Risk Score of 8 or greater.

The Risk Score was calculated by HUD by examination of the following sources:

1. Office of Federal Housing Enterprise Oversight ("OFHEO") data on decline in home values as of June 2008 compared to peak home value since 2000 at the Metropolitan/Micropolitan/Non-Metropolitan level.

2. Federal Reserve Home Mortgage Disclosure Act ("HMDA") data on percent of all loans made between 2004 and 2006 that are high cost at the Census Tract Level.

3. Labor Department data on unemployment rates in places and counties as of June 2008.

4. United States Postal Service ("USPS") data on residential addresses identified as being vacant for 90 days or longer as of June 2008 at the Census Tract level.

Second, the State will rely on HUD's data sets used as part of HUD's allocation formula for NSP funds (the allocations made to CDBG entitlement jurisdictions using such formula are hereby referred to as the "HUD NSP Allocations"). Specifically, this analysis will be used for two purposes in the State's initial funding round with respect to the Project Fund allocation (Project Fund is defined on p. 8):

1. To establish a threshold requirement of at least $1,000,000 in total neighborhood stabilization projects in an area of greatest need within each county, including both NSP funds and leveraged resources.

2. The total for each county under the HUD NSP Allocations will serve as the maximum of the State's Direct NSP Allocation that can be allocated to projects applying to the Project Fund, in the aggregate, to such county (accounting for all the CDBG Entitlement Jurisdictions within such county), which is referred to herein as the Initial Funding Round Cap.

The State's process is described in more detail in Section B herein.

In making its HUD NSP Allocations, HUD used the following sources:

1. the Mortgage Bankers Association (the "MBA") National Delinquency Survey data on the rate of foreclosure starts in 2007 and 2008 as well as current rates of subprime loans and loans in default or delinquency at the state-wide level;

2. Federal Reserve's HMDA data on owner-occupied and investor mortgages made between 2004 and 2006, as well as the percent of those loans that are high-cost;

3. vacancy data from the USPS to determine areas where abandonment of homes due to foreclosure is more likely;

4. public data from OFHEO to measure home price declines; and

5. Labor Department data on the rate of unemployment at the city and county level as a predictor of future foreclosures and abandonment.

A description of HUD's allocation formula can be found in HUD's "Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes Grantees under the Housing and Economic Recovery Act, 2008 (Docket No. FR-5255-N-01)."

Lastly, in addition to the foregoing HUD data sets, the State, through the Governor's HALT Task Force, has done significant research into areas of the state where the subprime lending and foreclosure rates are highest.

Looking to augment HMDA data, the HALT Task Force was able to obtain much of the needed information through expanded access to three additional sources of mortgage data:

1. the RealtyTrac foreclosure database;

2. the LoanPerformance database. While the purchase of this dataset was extremely cost prohibitive, the Federal Reserve did for a time to post a summary of this data on its website for public use. This posting has since stopped.; and

3. the Volume of Operation Reports (VOOR). The New York State Banking Department also collects annual business volume reports from licensed mortgage bankers and brokers. The

HALT Task Force worked with the Banking Department's Mortgage Banking Division to revise the VOOR template to collect additional data on loan products and reset dates.

NEW YORK STATE FORECLOSURE ANALYSIS

Mortgage Market Overview

According to the MBA's National Delinquency Survey, there are over 2 million mortgages outstanding in New York State, of which more than 280,000 or 13.7% are subprime. Subprime loans were identified based on the lenders' self-reporting in the survey response. The subprime share for New York State is in line with the national composition of the market.

Delinquencies

The following chart highlights the number and percent of loans seriously delinquent, at 90 or more days past due, at the end of 2007. National figures are provided for comparison. Subprime is defined based on lender self-identification in the MBA survey.

	All Loans 90+ days past due		Prime 90+ days past due		Subprime 90+ days past due	
	#	%	#	%	#	%
New York State	61,978	3.02	19,531	1.20	35,292	12.57
US	1,664,760	3.62	598,945	1.67	844,597	14.44

Data from the Mortgage Bankers Association National Delinquency Survey 4th Quarter 2007

The most recent MBA survey shows further increases in the serious delinquencies during 2008.

	All Loans 90+ days past due	Prime 90+ days past due	Subprime 90+ days past due
	%	%	%
New York State	3.63	1.53	16.51
US	4.50	2.35	17.85

Data from the Mortgage Bankers Association National Delinquency Survey 2nd Quarter 2008

The HALT Task Force probed these results for the subprime category, and found that adjustable rate mortgages ("ARMs") were the primary driver of delinquency. Indeed, subprime ARMs in New York State are seriously delinquent at a rate that exceeds the national average.

	Subprime-Fixed 90+ days past due		Subprime-ARMs 90+ days past due	
	#	%	#	%
New York State	13,993	7.56	21,387	22.17
US	226,493	8.18	577,282	20.43

Data from the Mortgage Bankers Association National Delinquency Survey 4th Quarter 2007

Foreclosures- Summary for Year-End 2007

The RealtyTrac dataset provides a window on state foreclosure trends as it attempts to capture every foreclosure filing. The first chart below from RealtyTrac indicates that there were over 57,000 filings in 2007, on almost 39,000 properties; that translates into 1 in every 200 homes in New York State in the

foreclosure process. This represents only a 10% increase from 2006, but a sharp increase of almost 55% since 2005.

	Total Foreclosure Filings 2007	% Change from 2006	% Change from 2005	Total Properties with Filings	% Household Foreclosures
New York State	57,350	10.19	54.72	38,688	0.493
US	2,203,295	74.99	148.83	1,285.873	1.033

Data from RealtyTrac, 12-31-07, US Census

Foreclosures- Summary for First Quarter 2008

Since the end of 2007, the rate of foreclosures continues to rise, with results for the first quarter of 2008 showing a 14% increase over the prior quarter. While this compares favorably to the national trend which shows a 23% increase over the same period, areas of the state are being disproportionately affected.

The chart below, based on data from RealtyTrac, identifies the top ten counties with the highest number of foreclosure filings for the first quarter of 2008:

New York State Foreclosure Snapshot: 1Q 2008 Based on RealtyTrac

	Lis Pendens	Notice of Sale	Real Estate Owned	Total	Percent of Filings	% Change vs. First Quarter 2007
Queens	2,110	358	215	2,683	19.2%	83.3%
Suffolk	1,865	89	125	2,079	14.8%	2.2%
Brooklyn	1,603	168	61	1,832	13.1%	66.5%
Nassau	1,082	44	150	1,276	9.1%	33.6%
Monroe	665	12	138	815	5.8%	-3.7%
Westchester	619	65	50	734	5.2%	72.7%
Staten Island	536	157	36	729	5.2%	110.1%
Bronx	534	107	35	676	4.8%	62.9%
Erie	5	330	86	421	3.0%	8.5%
Albany	186	61	74	321	2.3%	401.6%
Subtotal	9,205	1,391	970	11,566	82.6%	43.9%
Other 52counties *	947	755	734	2,436	17.4%	70.9%
Total	10,152	2,146	1,704	14,002	100.0%	48.0%

Data from RealtyTrac as of 3-31-08

The RealtyTrac data from first quarter 2008 for REOs was checked against the findings based on First American Loan Performance Data for the same period. That data showed similar results to RealtyTrac, summarized as follows:

1. A total of 2,661 REOs were recorded throughout New York State as of 1Q 2008 according to First American Loan Performance data – 2,352 among sub-prime loans and 309 that were Alt-A loans.

2. The top ten counties with the largest number of REOs were focused in New York City, Long Island and the Hudson Valley regions, with Erie and Monroe counties also included.

3. Among sub-prime loans, fourteen zip codes in five counties had 20 or more REOs. These zip codes were concentrated heavily in Queens and Nassau counties. Orange, Suffolk and Westchester counties were also among this group.

4. These same fourteen zip codes accounted for 366 or 15.6 percent of the total REOs in New York State.

5. Among all counties statewide, Queens, Suffolk and Nassau ranked as the top three in total REO's. Together, these three counties accounted for 963 or nearly 41.0 percent of the State's total.

Conclusion

As demonstrated above, New York State undertook an analysis of three data sets in order to identify the areas of greatest need and prioritize the use of funds within those areas of greatest need. This is consistent with HERA's mandate and sound housing policy. All three analyses pointed to similar conclusions: the subprime lending crisis and recent foreclosures are most heavily concentrated in New York City, Long Island, and the lower Hudson Valley. At the same time, key upstate cities suffer from many vacant and abandoned homes and not insubstantial rates of subprime lending. Both in upstate cities as well as the downstate NYC metropolitan area, New York State recognizes that NSP funding must be concentrated in the areas of greatest need in order to make a significant impact in stabilizing neighborhoods affected by the subprime crisis and to prevent future foreclosures and abandonment.

B. DISTRIBUTION AND USES OF FUNDS

New York State will use an RFP process to solicit local governments, nonprofits, and other providers to implement projects on a local level. The State's determination of areas greatest need will take in consideration the factors required by HERA as detailed in Section A and will rely on the Risk Score developed by HUD. In the initial funding round of scoring, the State will rely on HUD's determination of area of greatest need rather than undertaking an alternative analysis for this Amendment. This decision was made based on the following reasons:

- given the emergency nature of the assistance, and the short time frame permitted to publish and prepare this Amendment (i.e., HUD notice issued on September 29, 2008, plan amendments required to be published for public comment by November 15, 2008, and submission of plan required by December 1, 2008);
- the HUD requirement to obligate NSP funds within 18 months of HUD's approval of this Amendment;
- HERA's clear objective for NSP funds, which differ in material respects from regular CDBG funds;
- the State's desire to promote quick implementation of projects to respond to foreclosures destabilizing neighborhoods and declining home values; and
- the high level of interest received by the State in its Indication of Interest, which far exceed the State's Direct NSP Allocation.

Therefore, under the initial funding round, only projects in zip codes that contain at least one census tract block group with a Risk Score of 8, 9 or 10 will be considered. Eligible census tracts and zip codes can be viewed on the following link http://www.policymap.com/map.

Allocation of NSP Funds to Set-Asides and Projects

The chart below summarizes New York State's initial allocation set-asides of the State's Direct NSP Allocation. Funds will be available pursuant to an RFP process and in accordance and compliance with the requirements of Section 2301(c)(2) of HERA.

Distribution of State NSP Funds	Amount	Percentage
Administration Set-Aside	*$5,455,646*	*10%*
Low-Income Set-Aside	*$13,639,116*	*25%*
Project Fund	*$35,461,702*	*65%*
Total	**$54,556,464**	**100.00%**

Project Fund: Funding Priority and Caps for Initial Funding Round

The project fund (the "Project Fund") will consist of all of the State's Direct NSP Allocation, net of 10% of the funds for administrative expenses (the "Administrative Set-Aside"), and 25% for projects that will house individuals or families whose incomes do not exceed 50% of area median income (the "Low-Income Set-Aside").

As discussed in Section A, in order to focus the State's Direct NSP Allocation on areas of greatest need, and to produce a significant impact, the State has established a threshold requirement of at least $1,000,000 in total neighborhood stabilization projects within an area of greatest need in each county, including both NSP funds and leveraged resources for applications to the Project Fund.

HFA used HUD data to determine the maximum amount of NSP funds for projects, in the aggregate, in any county (accounting for all the CDBG Entitlement Jurisdictions within the county) during the initial funding round. The Initial Funding Round Caps will apply only to the initial RFP funding round for the Project Fund. In addition, projects must be within zip codes that contain at least one census tract block group with a Risk Score of 8, 9, or 10 in the initial funding round.

HUD NSP Allocations and NSP funding caps for the initial funding round (the "Initial Funding Round Caps") are set forth below:

COUNTY	INITIAL FUNDING ROUND CAPS *
ALBANY	$1,128,350
BROOME	$617,122
DELAWARE	$661,608
DUTCHESS	$2,147,246
ERIE	$3,804,344
MONROE	$3,357,581
NASSAU	$1,697,577
NIAGARA	$363,414
ONEIDA	$555,962
ONONDAGA	$1,741,196
ORANGE	$1,056,886
RENSSELAER	$522,158
ROCKLAND	$1,260,206
SCHENECTADY	$935,147

SUFFOLK	$3,529,949
WESTCHESTER	$4,555,214
NEW YORK CITY	$5,301,213
OTHER COUNTIES	$250,000 per county

* Based on HUD's allocation formula described in HUD's Notice of Allocations described in Docket No. FR-5255-N-01.

Low Income Set-Aside

The State will establish a Low Income Set-Aside in an amount equal to 25% of the State's total allocation ($13,639,116) for permanent housing units serving households less than 50% of area median income. Any applicant in any jurisdiction with qualified units located in areas within zip codes that contain at least one census tract block group with a Risk Score of 8, 9 or 10 may apply for these funds. NSP Funding caps set forth in the previous section do not apply to the Low Income Set-Aside portion.

Administrative Funds Set-Aside

The distribution plan will assume 10% ($5,455,646) will be allocated to program administration costs and will establish an Administrative Funds Set-Aside. These funds will be used for administrative costs eligible under 24 CFR 570.206 by the State and by any localities or nonprofit subrecipients that receive sub-allocations, if any. Local governments and nonprofit receiving a sub-allocation from the Project fund would be eligible for up to 6% of any sub-allocation amount for administration of local NSP programs. It should be noted that local project awards from the State will only be allowed reasonable developer fees and no administration costs when the State retains ongoing oversight of the project. Any Administrative Set-Aside funds deemed by the State to be in excess of the amount necessary to provide project administration and oversight in compliance with Section 2301 (c) (2) of HERA will be made available for project awards.

Direct Entitlement Jurisdictions

The State will accept applications from Direct Entitlement Jurisdictions or entities within these jurisdictions for specific projects determined to be consistent with the NSP Annual Plan amendment of that Direct Entitlement Jurisdiction, and subject to the Initial Funding Round Cap.

Competitive Application Process

Based on the response to the Indications of Interest received in advance of this Amendment and as discussed in Section A, New York State is aware that the demand is strong across the State and requests for NSP funding will likely exceed the amount available. Given the requirement to obligate the State's Direct NSP Allocation to activities within areas of greatest need within 18 months and to expend funds within four years, it is important that the State select projects that can meet all requirements and be implemented within these deadlines.

To accomplish this, the State plans to utilize an RFP process, soliciting proposals for specific projects in areas of greatest need. The State plans to initially limit funding to projects within zip codes that contain at least one census tract block group with a Risk Score of 8 or higher, but will consider expanding the Risk Score criteria for subsequent funding rounds if there aren't sufficient projects in the designated areas of greatest need.

Eligible Applicants

Any of the following entities may apply for the State's Direct NSP Allocation:

- Local governments;
- Nonprofits; and
- For profit entities working in collaboration with either a nonprofit or a local government.

Eligible Uses of NSP Funds

New York State will allow the State's Direct NSP Allocation to be used for the following activities permitted under HERA:

(A) Establish financing mechanisms for purchase and redevelopment of foreclosed homes and residential properties;
(B) Purchase and rehabilitate homes and residential properties abandoned or foreclosed;
(C) Establish land banks for foreclosed homes;
(D) Demolish blighted structures; and
(E) Redevelop demolished or vacant properties.

NSP – Eligible Uses	Correlated Eligible Activities from the CDBG Entitlement Regulations
(A) Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers	• As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206. • Also, the eligible activities listed below to the extent financing mechanisms are used to carry them out.
(B) Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties	• 24 CFR 570.201 (a) Acquisition (b) Disposition, (i) Relocation , and (n) Direct homeownership assistance (as modified below); • 570.202 eligible rehabilitation and preservation activities for homes and other residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity).
(C) Establish land banks for homes that have been foreclosed upon	• 24 CFR 570.201 (a) Acquisition and (b) Disposition.
D) Demolish blighted structures	• 24 CFR 570.201 (d) Clearance for blighted structures only.
(E) Redevelop demolished or vacant Properties	• 24 CFR 570.201 (a) Acquisition, (b) Disposition, (c) Public facilities and improvements, (e) Public services for housing counseling, but only to the extent that counseling beneficiaries are limited to prospective purchasers or tenants of the redeveloped properties, (i)Relocation, and (n) Direct homeownership assistance (as modified below). • 204 Community based development organizations. As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.

The State has included all uses permitted by the HERA statute in order to allow for a range of local responses to the varying conditions that exist throughout the State. It is not anticipated that all uses will be approved in all areas of the State. The permitted and approved uses of NSP funds for specific projects will be based on an understanding of the problems and needs in that specific market area.

Correlated CDBG Activities

Additionally, each NSP activity funded must also be CDBG-eligible under 42 U.S.C. 5305 (a) and meet a CDBG national objective. The chart below provides the correlated eligible activity under the CDBG Entitlement Regulations:

Project preferences

Projects will be evaluated and ranked based on the following preferences:

- Projects by applicants with demonstrated capacity to implement within the statutory time frame of four years from the date HFA receives the funds from HUD.
- Projects with a focused strategy for effective neighborhood stabilization, including addressing the factors that make the area vulnerable to future foreclosures.
- Projects that detail how high quality pre-purchase counseling will be provided to new homebuyers, as required by the Notice.
- Projects that leverage the largest portions of additional funding sources. Projects seeking Project Fund awards in counties with HUD NSP Allocations of less than $1 million must provide evidence of additional resources that leverage a total investment of at least $1 million countywide.
- Projects from applicants that will efficiently serve multiple jurisdictions within a local housing market and demonstrate effective cooperation in addressing similar needs in multiple locations. This preference will apply to proposals submitted by county governments and regional efforts to efficiently manage NSP funds for similar projects in local markets. The applicant must demonstrate a strong management role and cost savings in the program delivery, not just conduit funding for multiple locations.
- Projects by applicants with experience administering and delivering the specific activities for which the NSP funds would be used. If significant administrative responsibilities will be assigned to another entity via subcontract, the experience of that entity will be considered as well.
- Projects by applicants with knowledge and experience in the implementation of activities funded through the CDBG Program.
- Projects that serve the lowest possible incomes in a sustainable way.
- Projects that provide sustained affordability by incorporating green building and energy efficiency improvements.
- Projects that achieve the longest possible affordability period, especially those in which the local applicant provides ongoing monitoring.
- Projects that provide supportive housing units.
- Projects that minimize displacement.
- Projects that propose working in collaboration with the National Community Stabilization Trust (NCST) to acquire or coordinate the acquisition of vacant real estate owned (REO) properties from financial institutions.

The State will require applicants to demonstrate readiness and ability to proceed with implementation quickly. The State will also underwrite the projects for market, borrower and project feasibility, and will reserve the right to reject any application on this basis. In addition, Projects must be consistent with the jurisdiction's existing ConPlan, but not a substitution of efforts previously agreed upon with HUD.

Initial Funding Round

- The State will issue a Request for Proposals on or about December 15, 2008, prior to, and in anticipation of, HUD's approval of this Amendment.

- Proposals will be due on or about February 10, 2009. This will allow applicants at least 55 days to develop proposals for the initial funding round.

- The proposal due date is subject to change based upon HUD's approval of this Amendment, and/or changes issued to the Notice or interpretation of the Notice as clarified on the HUD website for this program (see http://www.hud.gov/nsp.) HFA urges potential grantees to be on alert for such changes, which will be posted on the HFA website with other NSP publications and materials.

- The State will competitively award NSP funds for the initial funding round based upon applications from eligible applicants.

- The initial funding round will be available as follows:

    - $13,639,116 for units serving households less than 50% of area median income located in any jurisdiction located within zip codes that include at least one census tract block group with Risk Scores of 8, 9 or 10.
    - $35,461,702 for neighborhood stabilization projects located within zip codes that include at least one census tract block group with Risk Scores of 8, 9 or 10, subject to the Initial Funding Round Cap.

- The State reserves the right to reject any application that does not meet requirements of the statute or HUD Notice, or fails to demonstrate feasibility.

- Further, the State reserves the right to contact individual applicants to submit additional information needed to make a determination.

Award of Additional Funds, Recapture & Subsequent Funding Rounds (if needed)

- The State reserves the right to award all funds in the initial funding round, so subsequent rounds may be implemented only if (1) not all funds are awarded, (2) funds are recaptured or (3) program income is received during program implementation.

- Conversely, the State reserves the right to delay funding a portion of its allocation of NSP funds in order to award additional funding to high performing grantees at a later date. The amount for deferred will be determined based on the quality of applications received in the initial funding round and capacity of applicants to utilize the funds awarded in that round.

- Approximately six months after the initial funding round awards are made, any remaining funds will be made available by application.

- Funds awarded in the initial funding round either under the Low-Income Set-Aside or the Project Fund where an NSP contract has not been executed within six months will be subject to recapture.

- Applicants receiving awards under the initial funding round will be eligible to apply for awards under a subsequent funding round only if they can demonstrate sufficient progress on the implementation of the first NSP award.

- The State reserves the right to remove the county funding caps for any subsequent funding rounds.

- The State reserves the right after the initial funding round to consider areas of greatest need other than those established by the HUD Risk Score, based on documentation provided by applicants.

Project Funding Amounts

The State anticipates that the amount of funds that can be applied for and approved will vary with population and need of the area. As guidance for potential applicants, the State recommends that applicants apply for funding amounts commensurate with:

- Cost of the project;
- Consideration of other applications submitted statewide;
- Need of the jurisdiction (including HUD Risk Score and Initial Funding Round Caps); and
- Capacity to carry out the proposed activities in a timely manner.

Additionally, HFA reserves the right to approve amounts less than requested in proposals and to adjust contracted amounts based upon actual performance and use of funds.

Estimated Uses of NSP Funds

Because the State will use an RFP process to solicit projects, it is not possible to exactly predict or commit to specific allocations of NSP funds to specific eligible uses and eligible areas. However, to better assess and describe the expected use of NSP funds across high need areas in New York State, stakeholders across the State were asked to submit Indications of Interest in NSP funding. Almost fifty responses were received, totaling over $117 million in requests, more than twice the amount of funds available for project awards throughout the State.

Based on the Indications of Interest from potential NSP applicants, the predominant uses of NSP funding in New York State will be for financing mechanisms (Activity A), purchase and rehabilitation of homes and residential properties (Activity B), and redevelopment of demolished or vacant properties (Activity E). Between 80% and 90% of the responses indicated that NSP funding would be used for one or more of these three purposes.

Demolition will be considered if proposed as part of a comprehensive plan for neighborhood revitalization or redevelopment of a site for affordable housing or some other public purpose. Less than

20% of the respondents to the Indications of Interest survey listed demolition as part of their NSP proposal. Properties demolished with NSP funds must be vacant and owned by the jurisdiction or non-profit in which the property is located.

For planning purposes (and based on the Indications of Initial Interest received), the State estimates that:

- Between 10% and 15% of the NSP funds are expected to be used for financing activities. This activity is expected to result in assisting between 125 and 175 housing units.
- Between 60% and 70% of the NSP funds are expected to be used for acquisition/rehab (including pre-purchase counseling as required by the Notice. This activity is expected to result in assisting between 550 and 700 housing units, including between 250 and 300 homeowner opportunities and 300 to 400 rental opportunities.
- Between 10% and 15% of the NSP funds are expected to be used for the redevelopment of demolished or vacant properties. This activity is expected to result in assisting between 75 and 125 housing units.
- Between 5% and 15% of the NSP funds are expected to be used for demolition and land banking. NSP funds are expected to be used to demolish between 100 and 200 vacant structures. The State anticipates that the demolished structures will include units that are low- and moderate-income dwelling units (< 80% of area median income) that cannot be rehabilitated and occupied.
- Between 150 and 200 housing units are expected to be available to households whose income does not exceed 50 percent of area median income through financing, acquisition/rehab, and redevelopment activities.

Actual responses to the RFP may produce a different distribution of resources. As such, the State reserves the right to vary from the above stated projected ranges by 5% to 15% without amendment to the Annual Plan.

Monitoring

To ensure that each recipient of New York State NSP funds operates in compliance with all applicable federal statutes and regulations and according to all deadlines and requirements, HFA will adopt a monitoring strategy that includes both on-site and off-site monitoring to track the progress of each project and compliance with NSP program requirements.

Monitoring activities will include the following:

- Initial assessment of project documentation to determine compliance with the national objective, eligible activity, eligible use and other CDBG and other Federal requirements, including environmental review.
- Draw down requests will be reviewed for eligibility and consistency with the written agreement.
- Quarterly reports will be required from each recipient of funds, which will provide data needed by the State to achieve HUD's quarterly report requirement.
- Annual field monitoring will be performed during project implementation, including field visits to recipients to review a sample of project files and random inspections of properties assisted to determine compliance.

- Post-occupancy monitoring - Applicants will be required to describe how they will monitor and enforce obligations after project completion, including property transfers and occupancy of rental units, if any.

Performance Measures

HFA will establish performance measures for each recipient of a portion of the State's Direct NSP Allocation, after HUD issues guidance on NSP performance measures. They are expected to include, without limitation, the following:

- Completion – Acquisition within 9 months of receipt of grant funds; occupancy within 21 months of receipt of grant funds.

- Occupancy – Evidence of number of units occupied by below 120% area median income; number of units by below 80% area median income; and number of units occupied by below 50% area median income.

- Affordability period – Evidence of units' years of affordability produced.

- Improvements – Substandard units improved to applicable laws, codes and other requirements relating to housing safety, quality and habitability.

C. DEFINITIONS AND DESCRIPTIONS

(1) Blighted Structure

The term blighted structure shall mean a structure that shows signs of deterioration that are sufficient to constitute a threat to human health, safety and public welfare and is considered substandard under local definition. Detailed explanation of the physical condition of the structure or structures is appropriate to establish the extent of substandard and blighting conditions. Any applicant that proposes to demolish a blighted structure must enumerate the conditions that will justify demolition.

(2) Affordable rents

Affordable rent will be defined in one of the following ways:

- If a project consists of tenants who fall at or below 50 percent of area median income, rent for the project may not exceed 30 percent of 50 percent of area median income, adjusted for unit size and tenant-paid utilities, or;
- If a project consists of tenants who fall between 50 percent and 60 percent of area median income, rents for the project may not exceed 30 percent of 60 percent of area median income, adjusted for unit size and tenant-paid utilities, or;
- If a project consists of tenants who fall between 60 percent and 80 percent of area median income and an applicant states that the project is in need of the extra rental income, then the rent in such project may not exceed 30 percent of 80 percent of area median income, adjusted for unit size and tenant-paid utilities.

(3) Continued affordability for NSP assisted housing

Applicants will be allowed to propose the continued affordability model for each project including the period of sustained affordability for the project and the legal means by which the affordability will be ensured. The HOME standard will be the minimum term allowable and applicants will be required to certify that such minimum requirements are being met, although the length of the affordability is one preference that will be used to evaluate projects. Applicants may either impose a deed restriction to ensure continued affordability or require subsidy recapture and/or mortgage repayment for failure to complete the minimum term of affordability.
Applicants will be required to certify that each NSP assisted homebuyer will receive and complete at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a loan.

Applicants will be required to certify that, in cases where they are using NSP funds to assist a foreclosed property that was previously assisted with HOME funds, the HOME affordability restrictions will be revived.

(4) Housing rehabilitation standards for NSP assisted activities

All rehabilitation activities assisted under the NSP programs shall address health and safety violations, correct substandard conditions and make essential improvements. Such improvements shall include but are not limited to: performing energy related repairs or improvements including the installation of Energy Star appliances and energy efficient windows, providing for handicapped accessibility under reasonable accommodation and reasonable modification standards, the abatement of lead-based paint hazards and the repair or replacement of major housing systems in danger of failure. All rehabilitation must meet applicable local standards, codes and ordinances. Lead Based Paint standards apply to housing built prior to 1978.

(5) Areas of Greatest Need

Areas of greatest need as described in Section A of this Amendment shall mean any zip code that contains at least one census tract block group with a Risk Score of 8 or greater.

D. LOW INCOME TARGETING

The estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income is $13,639,116.

All eligible applicants are encouraged to apply for funding under the Low-Income Set-Aside for projects in areas of greatest need serving households that do not exceed 50 percent area median income and preference will be given for such projects. Applications for Low-Income Projects will be considered outside of the project funding caps for counties previously outlined, and may be combined with Project Funds in mixed income projects that provide units meeting the requirements of this set-aside.

Note: If the State does not receive proposals totaling at least 25 percent of the NSP funds ($13,639,116) for this population group as required by the HERA statute, the State reserves the right to withhold awarding other grants until additional eligible proposals/activities are identified to meet this

requirement. The State may choose to solicit additional applications, unilaterally modify grant request amounts, and/or identify other eligible projects that meet the 50 percent AMI requirement.

E. ***ACQUISITIONS & RELOCATION***

The overall goals of the State's Neighborhood Stabilization Program are neighborhood stabilization and the preservation and creation of affordable housing units. The State's program will have a non-displacement objective, and will give priority to non-occupied properties or properties identified for continued rental use. However, in such communities where sufficient evidence is provided that excess supply exists and an acceptable short-term land banking and comprehensive redevelopment strategy is in place, then the State may permit some demolition and relocation.

In such cases involving acquisition of occupied properties, the applicant will be required to certify compliance with relocation notice and assistance provisions of URA and Section 104(d) of the Housing and Community Development Act of 1974. Applicants will be required to provide income and rent surveys of existing occupants prior to obligation, and to budget for all necessary relocation costs.

In cases involving demolition or removal of affordable low income units under Section 104(d) of HCDA74, the applicant will be required to provide the information required by the alternative requirements in the Notice, namely:

- The number of LMI dwelling units reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

In cases where properties are affordable to households at or below 80% of area median income, applicants will be required to maintain affordability at that level unless such affordability is proven not to be feasible.

F. PUBLIC COMMENTS

New York State followed the usual methods for publishing this Amendment, including posting in the State Register, on the New York State Division of Housing and Community Renewal (DHCR) website at www.nysdhcr.gov and on the New York State Housing Finance Agency (HFA) website at www.nyhomes.org. The 15- day public comment period began on Friday, November 7, 2008 and extended through the close of business on Friday, November 21, 2008. A copy of the notice posted in the State Register is attached hereto as Exhibit A.

The following comments were received during the required public comment period. The State considered these comments as it finalized this amendment for submission to HUD. Direct responses to these comments are not required by HUD due to the short time frame for submission. Some of the comments have been addressed in the final amendment, while others will be considered or clarified as the State issues RFP guidelines. Some comments were clearly beyond the scope and authority of this

Program as defined by the statute, and have been added to considerations for future Consolidated Plan submissions.

Allocation of Funds

Comment:

A comment states that New York State's "…allocation of funds to all 52 [sic] counties is appropriate and places the resources of all municipalities/applicants who are dealing with the vacant/abandoned foreclosed property issue in their individual neighborhoods and communities. The $250,000 per county acknowledges rural and upstate counties with devastating foreclosure problems and gives them access to tools to address them."

Comment:

A comment supports New York State's intention to target funding to those areas of greatest need and to those projects that will have a meaningful impact on their communities. This comment states that using a risk score of 8 or higher will further ensure communities impacted by the foreclosure crisis are assisted and assert that the State's Initial Funding Round Cap will provide a financial framework when preparing a response to the State RFP.

Comment:

A comment expresses the concern that the leverage requirements for establishing a minimum investment amount of $1 million for NSP projects, including both NSP funds and leverage funds is confusing and may disadvantage smaller rural counties. This comment recommends, as an alternative, that only a dollar for dollar match of NSP funds be required.

Comment:

A comment notes that "[P]rojects in counties, (including all the CDBG Entitlement Jurisdictions within each county), with a HUD NSP allocation of $1 million or more may apply for projects in the aggregate up to that amount and are strongly encouraged to also show evidence of additional resources to leverage NSP funds". The comment suggests that "[T]his indicates you'd have to know in advance what the NSP allocations were going to be in CDBG entitlement cities within your county borders before you applied [for NSP funding]". This comment states that this provision "seems to cut these counties some slack on leveraged resources while holding rural counties to a higher standard by wanting them to show additional resources when they are already receiving $1 million in NSP funds". As an alternative, the comment recommends that "HFA just state that NSP funding applications will favor those applicants that demonstrate the capacity or funds on hand that will be leveraged into their projects by percentage. That way, my rural county application can leverage 100% of 'other funds' based on raising $250,000 in match."

Comment:

A comment asks whether a non-profit organization can directly compete with CDBG direct entitlement jurisdictions for NSP funds, particularly in circumstances where local officials can't leverage funds.

Comment:

A comment asks whether a county may apply to address foreclosed homes in rural villages and towns if there is at least one zip code within that county which meets the high risk score criteria for NSP funding.

Comment:

A comment recommends that Direct Entitlement Jurisdictions receiving a direct allocation of federal NSP funds be disqualified from the State's Initial Funding Round cap and be considered for additional funding in the case of recapture or a second funding round.

Comment:

A comment recommends that NSP funds should also be allocated in coordination with other public funds, including HOME and CDBG, to prevent the displacement of older homeowners and the further deterioration of housing occupied by low-income older residents.

Comment:

A comment commends New York State for its effort in preparing the NSP amendment and in creating an Initial Funding Round designed to elicit a broad response. But the comment also suggests that NSP funds will be allocated more quickly and effectively if the State eliminates any cap on the amount of funding for which an individual county may apply.

Comment:

A comment suggests that, among not-for-profit organizations, only those with previous development experience be allowed to apply for NSP funds.

Comment:

A comment suggests that New York State encourage CDBG entitlements to submit coordinated applications with either a county or city taking the lead. This will lessen the work both the state and banks will have to do as an attempt is made to spend the NSP funds timely.

Affordability Requirements

Comment:

A comment urges the State to be as flexible as possible in establishing rules concerning ongoing affordability for homebuyers. This comment asserts that affordability requirements, enforced by either a lien or deed language, dramatically impact both the marketability of property in weak real estate markets and the ability to secure mortgages.

Comment:

A comment suggests that cost-effective energy efficiency improvements to rehabilitate and redevelop properties to enhance long-term affordability for low income and/or elderly residents should be provided as part of adequate NSP funding.

Comment:

A comment notes that property vacancy cannot be addressed and the impact of NSP funds maximized unless potential home buyers can obtain mortgage loans. As a consequence, this comment suggests that any mechanism employed to preserve affordability take into consideration lending requirements for buyers in the current mortgage market, particularly in high-cost areas.

Use of Funds

Comment:

A comment asks whether a non-profit organization can use NSP funds to demolish vacant, abandoned, or foreclosed houses within a direct entitlement jurisdiction and then subdivide the newly vacant lots.

Comment:

A comment asks whether housing counseling and/or homeownership education is part of the 10% of NSP funds set-aside for administration or whether those activities can be funded as part of a project's program delivery costs.

Comment:

A comment recommends that HUD raise the federal funding threshold that requires full lead-based paint abatement from $25,000 to $50,000 to make rehabilitation more realistic because of the increase in the cost of construction labor and materials since the standards were first set by the federal government.

Comment:

A comment suggests that Part 56 requirements governing asbestos be waived for the NSP-funded projects. All friable (loose) asbestos materials on heating ducts and furnaces would still be remediated but, by allowing a waiver on other asbestos-related activity, there would be no increase of costs due to the need to have separate and independent contractors' tests, monitoring, and the removal of floor tiles, caulk, window glazing, and so on, to rehabilitate vacant houses.

Comment:

A comment suggests that the needs of low-income elderly residents should be a designated priority in plans for neighborhood stabilization. This comment asks that the allocation of NSP funds adequately reflect this priority.

Comment:

A comment requests that universal design and visitability features be integrated into properties rehabilitated and redeveloped with NSP funds in order to promote aging in place. The comment identifies three "core visitability features" (i.e., a zero-step entrance, doorways with 36 inches of clear passage space, and at least a half-bath on the main floor with adequate maneuvering room). This comment also suggests that incorporating other universal design features (including reinforced walls for grab bars, lowering the height of switches and using lever handles) is cost effective and will best serve the needs of all residents as they age.

Comment:

A comment requests that the NSP Substantial Amendment add "redevelopment" to Purpose 1 in Section G, Activity A, number 1, which appears to have been omitted. This comment notes that this activity is included in HUD's definition of Activity Type A.

Comment:

A comment agrees with the eligible uses set forth in the NSP Substantial Amendment.

Time to Commit Funds

Comment:

A comment acknowledges that the 18-month deadline for obligation of NSP funds is a federal requirement but asserts that it allows insufficient time and should be extended to a "more realistic" 24 months.

Comment:

A comment suggests that, when establishing performance measures, the State consider a "pipeline" program design rather than a "bulk" design both because many property acquisitions cannot be completed within the required 3 months and because absorption of the entire program portfolio over a 12-month period is not practical for either program administration or property sales.

Comment:

A comment requests that, for a "self-help" project that includes home-buyer sweat equity, the deadline for completion be extended to 18 months. This comment notes that *Section B Distribution and Uses of Funds* in the NSP Substantial Amendment defines the completion performance measure as "acquisition within 3 months of receipt of grant funds, occupancy within 12 months of receipt of grant funds."

Comment:

A comment discusses the NSP performance measures requiring acquisition within 3 months of agreement and occupancy within 12 months of agreement. The comment states that acquisition and occupancy of some properties can reasonably begin within that time frame, but that the process would be continual because it is difficult to predict the timing of each individual project addressing single family detached structures in a foreclosed situation.

Comment:

A comment, noting that all NSP funds must be obligated within 18 months, suggests that applicants be asked, in their Initial Funding Round application to also identify any additional funds they think they can effectively use within the 18 months.

Miscellaneous

Comment:

A comment suggests that the YouthBuild programs in New York State be considered an appropriate venue to receive funding as part of HUD's initiative to "purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. This comment asserts that YouthBuild programs would fulfill the grant requirement that "grantees must ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of abandoned and foreclosed-upon homes remain affordable."

Comment:

An organization offers to partner with the State to help implement the NSP by utilizing the organization's model which includes unique characteristics that fit the goals of the program: serve families below 50% of AMI; non-profit; large-pool of pre-approved partner families that are waiting for affordable homes; etc.

G. *NSP INFORMATION BY ACTIVITY*

ACTIVITY (A) ESTABLISH FINANCING MECHANISMS FOR PURCHASE AND REDEVELOPMENT OF FORECLOSED UPON HOMES AND RESIDENTIAL PROPERTIES, INCLUDING SUCH MECHANISMS AS SOFT-SECONDS, LOAN LOSS RESERVES, AND SHARED-EQUITY LOANS FOR LOW- AND MODERATE-INCOME HOMEBUYERS

(1) Activity Name: Establishing financing mechanism.

(2) Activity Type:

NSP-Eligible Uses	Correlated Eligible Activities From the CDBG Entitlement Regulations
(A) Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers	• As part of an activity, delivery cost for an eligible activity as defined in 24 CFR 570.206. • 24 CFR 570.201(n) Direct homeownership assistance

(3) National Objective:

a. Provides or improves permanent residential structures that will be occupied by households at or below 120% of area median income; or
b. Serves an area in which at least 51 percent of the residents have incomes at or below 120 percent of the median income.

(4) Activity Description:
While the exact financing mechanisms will depend on the specific projects funded through the RFP described in Section B, each financing mechanism will be established for one or both of the following purposes:

1. To create a pool of funds through which the specific project will purchase and redevelop foreclosed or abandoned homes; and/or

2. To subsidize the purchase of homes by assisting homeowners with down payment assistance or providing a soft second mortgage.

The creation of acquisition pools will benefit low income persons by creating a stock of homes for purchase or rental and by putting vacant or foreclosed homes back into productive use. Down payment assistance will assist low income persons by assisting them to purchase homes that they would be otherwise unable to purchase. HFA anticipates that a portion of these funds will be used to create permanent housing opportunities for households with incomes below 50% of area median income.

(5) Location Description:
Projects will be located in areas of greatest need within New York State, with a priority emphasis on projects in zip codes that contain at least one census tract block group with a Risk Score of 8 or greater. Specific addresses will be established by the projects selected in the RFP process.

(6) Performance Measures:

- Completion – Acquisition within 9 months of agreement; occupancy within 21 months of agreement.
- Occupancy – percent of units occupied by below 120% area median income; percent of units by below 80% area median income; percent of units occupied by below 50% area median income.
- Affordability period – units years of affordability produced.
- Substandard units improved to standard.

(7) Total Budget:

Based on initial Indications of Interest, the State expects that between 10% and 15% of NSP Project Funds will be allocated to these activities, but the final amount will be based on projects selected from responses to the RFP.

(8) Responsible Organization:

The New York State Housing Finance Agency, 641 Lexington Avenue, New York, NY 10022, Attn: Arlo Chase. HFA will review applications from local governments, nonprofits and others and make awards based on criteria established for the program. Specific awardees will be named upon evaluation of the responses to the RFP.

(9) Projected Start Date: March, 2009

(10) Projected End Date: February, 2013

(11) Specific Activity Requirements:

a. **Tenure**: This activity will include both rental and homeownership units.
b. **Duration of Assistance**: Will vary.
c. **Extended Affordability:** Applicants will be allowed to propose the continued affordability model for each project including the period of sustained affordability for the project and the legal means by which the affordability will be ensured. The HOME standard will be the minimum term allowable. Applicants may either impose a deed restriction to ensure continued affordability or require subsidy recapture and/or mortgage repayment for failure to complete the minimum term of affordability.
d. **Range of interest rates**: These will vary depending on the specific projects selected, will likely be as low as 0% and up to market rate.

ACTIVITY (B) - PURCHASE AND REHABILITATE HOMES AND RESIDENTIAL PROPERTIES THAT HAVE BEEN ABANDONED OR FORECLOSED UPON

(1) Activity Name: Purchase and Rehabilitate homes and residential properties that have been abandoned or foreclosed upon.

(2) Activity Type:

NSP-Eligible Uses	Correlated Eligible Activities From the CDBG Entitlement Regulations
(B) Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties	• 24 CFR 570.201 (a) Acquisition (b) Disposition, (i) Relocation, and (n) Direct homeownership assistance (as modified below); • 570.202 eligible rehabilitation and preservation activities for homes and other residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity). • As part of an activity, delivery cost for an eligible activity as defined in 24 CFR 570.206.

(3) National Objective:

a. Provides or improves permanent residential structures that will be occupied by households at or below 120% of area median income; or
b. Serves an area in which at least 51 percent of the residents have incomes at or below 120 percent of the median income.

(4) Activity Description:
This activity will benefit low income persons by creating a stock of homes for purchase or rental and by putting vacant or foreclosed homes back into productive use. HFA anticipates that a portion of these funds will be used to create permanent housing opportunities for households with incomes below 50% of area median income.

Rehabilitation projects will meet housing rehabilitation standards and affordability standards outlined in this Amendment.

(5) Location Description:
Projects will be located in areas of greatest need within New York State, with a priority emphasis on projects in zip codes that contain at least one census tract block group with a Risk Score of 8 or greater. Specific addresses will be established by the projects selected in the RFP process.

(6) Performance Measures:

- Completion – Acquisition within 9 months of agreement.
- Affordability period – units years of affordability produced
- Substandard units improved to standard

(7) Total Budget:

Based on initial Indications of Interest, the State expects that between 60% and 70% of NSP Project Funds will be allocated to these activities, but the final amount will be based on projects selected from responses to the RFP.

(8) Responsible Organization:
The New York State Housing Finance Agency, 641 Lexington Avenue, New York, NY 10022, Attn: Arlo Chase. HFA will review applications from local governments, nonprofits and others and make awards based on criteria established for the program. Specific awardees will be named upon evaluation of the responses to the RFP.

(9) Projected Start Date: March, 2009

(10) Projected End Date: February, 2013

(11) Specific Activity Requirements:

a. **Tenure**: This activity will include both rental and homeownership units.
b. **Duration of Assistance:** Will vary.
c. **Extended Affordability:** Applicants will be allowed to propose the continued affordability model for each project including the period of sustained affordability for the project and the legal means by which the affordability will be ensured. The HOME standard will be the minimum term allowable. Applicants may either impose a deed restriction to ensure continued affordability or require subsidy recapture and/or mortgage repayment for failure to complete the minimum term of affordability.
d. **Discount rate:** In all cases, financing the acquisition of foreclosed-upon properties will be in compliance with section 2301(d)(1) of HERA that requires that each foreclosed-upon home or residential property be purchased at a discount of at least 5 percent from the current market-appraised value. Properties purchased in the aggregate must be discounted by at least 15 percent.
e. **Sale price restrictions**: In all cases, prices of homes on resale will be limited as required by Section J of the Notice.
f. **Range of interest rates**: N/A.

ACTIVITY (C) - ESTABLISH LAND BANKS FOR HOMES THAT HAVE BEEN FORECLOSED UPON

(1) Activity Name: Establish land banks for homes that have been foreclosed upon

(2) Activity Type:

NSP-Eligible Uses	Correlated Eligible Activities From the CDBG Entitlement Regulations
(C) Establish land banks for homes that have been foreclosed upon	• 24 CFR 570.201 (a) Acquisition and (b) Disposition. • As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.

(3) National Objective:
To serve an area in which at least 51 percent of the residents have incomes at or below 120 percent of the median income.

(4) Activity Description:
Land banks will be a small part of the State's NSP program. Land banks will be restricted to upstate cities and other areas that demonstrate conclusively to the State that there is a supply of foreclosed homes in substantial excess to the population of that area and that there is not a viable development alternative in those areas. Land banks will create legal entities to purchase and hold foreclosed homes and ensure that those homes are safe and not blight in the neighborhoods. Land banks will assist in making these homes community assets while waiting for a re-sale market for those properties to develop. Land banks funded with NSP must have plans for the disposition of all homes acquired within ten years of acquiring the homes.

The creation of land banks will benefit low income persons primarily by ensuring that the foreclosed homes in low income neighborhoods will be maintained in a safe productive way for such neighborhoods. Land banks will not create permanent housing opportunities for households with incomes below 50% of area median income.

(5) Location Description:
Projects will be located in areas of greatest need within New York State, with a priority emphasis on projects in zip codes that contain at least one census tract block group with a Risk Score of 8 or greater. Specific addresses will be established by the projects selected in the RFP process.

(6) Performance Measures:

- Completion – Acquisition within 9 months of agreement.

(7) Total Budget:
Based on initial Indications of Interest, the State expects that less than 1% of NSP Project Funds will be allocated to these activities, but the final amount will be based on projects selected from responses to the RFP.

(8) Responsible Organization:
The New York State Housing Finance Agency, 641 Lexington Avenue, New York, NY 10022, Attn: Arlo Chase. HFA will review applications from local governments, nonprofits and others and make

awards based on criteria established for the program. Specific awardees will be named upon evaluation of the responses to the RFP.

(9) Projected Start Date: March, 2009

(10) Projected End Date: February, 2013

(11) Specific Activity Requirements:

a. **Tenure**: This activity will include both rental and homeownership units.
b. **Duration of Assistance:** Will vary.
c. **Extended Affordability:** Applicants will be allowed to propose the continued affordability model for each project including the period of sustained affordability for the project and the legal means by which the affordability will be ensured. The HOME standard will be the minimum term allowable. Applicants may either impose a deed restriction to ensure continued affordability or require subsidy recapture and/or mortgage repayment for failure to complete the minimum term of affordability.
d. **Range of interest rates**: n/a
e. **Length of hold period**: In each case, applicants will be required to certify compliance with the limitation on holding period of 10 years for the land banking projects.

ACTIVITY (D) - DEMOLISH BLIGHTED STRUCTURES

(1) Activity Name: Demolish blighted structures.

(2) Activity Type:

NSP-Eligible Uses	Correlated Eligible Activities From the CDBG Entitlement Regulations
(D) Demolish blighted structures	• 24 CFR 570.201 (d) Clearance for blighted structures only. • As part of an activity, delivery cost for an eligible activity as defined in 24 CFR 570.206.

(3) National Objective:

To serve an area in which at least 51 percent of the residents have incomes at or below 120 percent of the median income.

(4) Activity Description:

Demolition will be considered as part of a comprehensive plan for neighborhood revitalization or redevelopment of a site for affordable housing or some other public purpose. Demolition of blighted structures will be a relatively small part of the State's NSP program. Demolition will not be a prioritized activity and will be restricted to areas that demonstrate conclusively to the State that the demolition of the structures in question will facilitate neighborhood redevelopment and that there is not a viable development alternative for those structures.

The demolition of blighted structures under the NSP program will benefit low income persons primarily by ensuring that blighted structures in low income neighborhoods will not continue to be a nuisance and hazard in the community. Demolition will not create permanent housing opportunities for households with incomes below 50% of area median income.

(5) Location Description:

Projects will be located in areas of greatest need within New York State, with a priority emphasis on projects in zip codes that contain at least one census tract block group with a Risk Score of 8 or greater. Specific addresses will be established by the projects selected in the RFP process.

(6) Performance Measures:

- Completion – Acquisition within 9 months of agreement.

(7) Total Budget:

Based on initial Indications of Interest, the State expects that between 5% and 10% of NSP Project Funds will be allocated to these activities, but the final amount will be based on projects selected from responses to the RFP.

(8) Responsible Organization:

The New York State Housing Finance Agency, 641 Lexington Avenue, New York, NY 10022, Attn: Arlo Chase. HFA will review applications from local governments, nonprofits and others and make awards based on criteria established for the program. Specific awardees will be named upon evaluation of the responses to the RFP.

(9) Projected Start Date: March, 2009

(10) Projected End Date: February, 2013

(11) Specific Activity Requirements: All specific activity requirements are N/A to demolition.

ACTIVITY (E) - REDEVELOP DEMOLISHED OR VACANT PROPERTIES

(1) Activity Name: Redevelop demolished or vacant properties.

(2) Activity Type:

NSP-Eligible Uses	Correlated Eligible Activities From the CDBG Entitlement Regulations
(E) Redevelop demolished or vacant properties	• 24 CFR 570.201 (a) Acquisition, (b) Disposition, (c) Public facilities and improvements, (e) Public services for housing counseling, but only to the extent that counseling beneficiaries are limited to prospective purchasers or tenants of the redeveloped properties, (i)Relocation, and (n) Direct homeownership assistance (as modified below). • 204 Community based development organizations. • As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.

(3) National Objective(s):

a. Provides or improves permanent residential structures that will be occupied by households at or below 120% of area median income; or
b. Serves an area in which at least 51 percent of the residents have incomes at or below 120 percent of the median income.

(4) Activity Description:
The redevelopment of demolished or vacant properties is a relatively broad use that will incorporate a number of different projects, to be chosen based on the State's RFP process. The State will prioritize redevelopment projects that create new housing units (both rental and homeownership) for low-moderate-middle income households, as defined by the Notice. Other redevelopment projects eligible under the Notice, such as mixed use residential and commercial development, will be considered. However, to the extent these demolished or vacant properties are not foreclosed or abandoned, uses will be limited to new construction of housing units for low-moderate-middle income households, as defined by the Notice.

The redevelopment of demolished or vacant properties will benefit low income persons in a number of ways including returning demolished or vacant properties to productive use and by which create new housing units (both rental and homeownership) for low-moderate-middle income households, as defined by the Notice. The Redevelopment of demolished or vacant properties will create permanent housing opportunities for households with incomes below 50% of area median income.

(5) Location Description:
Projects will be located in areas of greatest need within New York State, with a priority emphasis on projects in zip codes that contain at least one census tract block group with a Risk Score of 8 or greater. Specific addresses will be established by the projects selected in the RFP process.

(6) Performance Measures:

- Completion – Acquisition within 9 months of agreement; occupancy within 21 months of agreement
- Occupancy – number of units occupied by below 120% area median income, number of units by below 80% area median income; number of units occupied by below 50% area median income
- Affordability period – units years of affordability produced
- Substandard units improved to standard.

(7) Total Budget:
Based on initial Indications of Interest, the State expects that between 8% and 12% of NSP Project Funds will be allocated to these activities, but the final amount will be based on projects selected from responses to the RFP.

(8) Responsible Organization:
The New York State Housing Finance Agency, 641 Lexington Avenue, New York, NY 10022, Attn: Arlo Chase. HFA will review applications from local governments, nonprofits and others and make awards based on criteria established for the program. Specific awardees will be named upon evaluation of the responses to the RFP.

(9) Projected Start Date: March, 2009

(10) Projected End Date: February, 2013

(11) Specific Activity Requirements:

a. **Tenure**: This activity will include both rental and homeownership units.
b. **Duration of Assistance:** Will vary.
c. **Extended Affordability:** Applicants will be allowed to propose the continued affordability model for each project including the period of sustained affordability for the project and the legal means by which the affordability will be ensured. The HOME standard will be the minimum term allowable. Applicants may either impose a deed restriction to ensure continued affordability or require subsidy recapture and/or mortgage repayment for failure to complete the minimum term of affordability.
d. **Range of interest rates**: n/a

H. Total Budget

Based on responses to our Indication of Interest in NSP funding, New York State has developed an estimated budget across each NSP activity. Actual responses to the RFP may produce a different distribution of resources. As such, the State reserves the right to vary from the above stated projected ranges by 5% to 15% without amendment to the Annual Plan.

Activity	Amount	Percent of Total
Financing Mechanisms	$ 7,365,123	13%
Acquisition/Rehabilitation	$34,370,573	63%
Land Banking	$156,504	≤ 1%
Demolition	$ 2,700,545	5%
Redevelop Vacant Properties	$ 4,508,074	8%
State/Local Admin Activities	$ 5,455,646	10%
TOTAL	$54,556,464	100%

Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

Grantees eligible to receive funds under the Homelessness Prevention and Rapid Re-Housing Program (HPRP) are required to complete a substantial amendment to their Consolidated Plan 2008 Action Plan. This form sets forth the required format for this substantial amendment. A completed form is due to HUD within 60 days of the publication of the HUD HPRP notice.

To aid grantees in meeting this submission deadline, the HPRP Notice reduces the requirement for a 30-day public comment period to no less than 12 calendar days for this substantial amendment. With this exception, HPRP grantees are required to follow their Consolidated Plan's citizen participation process, including consultation with the Continuum of Care (CoC) in the appropriate jurisdiction(s). Grantees are also required to coordinate HPRP activities with the CoC's strategies for homeless prevention and ending homelessness. To maximize transparency, HUD strongly recommends that each grantee post its substantial amendment materials on the grantee's official website as the materials are developed.

A complete submission contains the following three documents:

1) A signed and dated SF-424,
2) A completed form HUD-40119 (this form), and
3) Signed and dated General Consolidated Plan and HPRP certifications.

For additional information regarding the HPRP program, visit the HUD Homelessness Resource Exchange (www.hudhre.info). This site will be regularly updated to include HPRP resources developed by HUD and its technical assistance providers.

The information collection requirements contained in this application have been submitted to the Office of Management and Budget (OMB) for review under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Information is submitted in accordance with the regulatory authority contained in each program rule. The information will be used to rate applications, determine eligibility, and establish grant amounts.

Public reporting burden for this collection of information is estimated to be 16 hours, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. To the extent that any information collected is of a confidential nature, there will be compliance with Privacy Act requirements. However, the substantial amendment to the Consolidated Plan 2008 Action Plan does not request the submission of such information.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

A. General Information

Grantee Name	New York State Program
Name of Entity or Department Administering Funds	Office of Temporary and Disability Assistance – Bureau of Housing and Shelter Services
HPRP Contact Person (person to answer questions about this amendment and HPRP)	Richard Umholtz
Title	Assistant Director
Address Line 1	40 North Pearl Street
Address Line 2	Section B
City, State, Zip Code	Albany, NY 12243
Telephone	518-474-3080
Fax	518-486-7068
Email Address	Richard.umholtz@otda.state.ny.us
Authorized Official (if different from Contact Person)	Scott Edwards
Title	Director
Address Line 1	40 North Pearl Street
Address Line 2	Section B
City, State, Zip Code	Albany, NY 12243
Telephone	518-473-2588
Fax	518-486-7068
Email Address	Scott.edwards@otda.state.ny.us
Web Address where this Form is Posted	www.nysdhcr.gov

Amount Grantee is Eligible to Receive*	**$ 25,527,382**
Amount Grantee is Requesting	**$ 25,527,382**

*Amounts are available at http://www.hud.gov/recovery/homelesspreventrecov.xls

B. Citizen Participation and Public Comment

1. Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment (limit 250 words).

   Response: This amendment meets New York State's criteria for requiring a substantial amendment to the Consolidated Plan. The criteria are:

   - a substantial change in the State's allocation priorities or a change in the method of distribution of funds;
   - an activity, using funds from any program covered by the Consolidated Plan (including program income), not previously described in the Action Plan; or
   - a substantial change in the purpose, scope, location, or beneficiaries of an activity.

   In submitting this substantial amendment to the Consolidated Plan, New York State has followed its citizen participation plan. Before developing the proposed amendment, we met with Commissioners of local Departments of Social Services and representatives from not-for-profit agencies who serve homeless persons and those at-risk of homelessness to obtain input about how to most effectively utilize New York State's share of the funding. They were also asked for suggestions about how the New York State funding might be coordinated with funding to the twenty-eight other entitlement areas within New York State. After the amendment was developed, a twelve-day comment period was held to solicit responses from citizens and other interested parties. A public comment period notice, including a toll-free number for the public to request copies of the amendment, was placed in the *New York State Register*. In addition, the public comment notice was printed in newspapers with statewide circulation including minority newspapers and was also published in Spanish. The HPRP public comment notice was sent to DHCR's electronic mailing list as well as to the New York State Task Force on the National Affordable Housing Act (NAHA) and Partnership Advisory Committee (PAC). Interested parties were encouraged to mail or e-mail their written comments to NYS Division of Housing and Community Renewal's Office of Intergovernmental Affairs.

   All comments and responses provided are described below.

2. Provide the appropriate response regarding this substantial amendment by checking one of the following options:

   ☐ Grantee did not receive public comments.

   ☒ Grantee received and accepted all public comments.

   ☐ Grantee received public comments and did not accept one or more of the comments.

3. Provide a summary of the public comments regarding this substantial amendment. Include a summary of any comments or views not accepted and the reasons for non-acceptance.

   Response: The following are comments received during the 12-day public comment period that commenced on April 24th. The substantial amendment to the Consolidated Plan of 2008 has been revised accordingly. Specifically, Section D has been revised to include the Office of Children and Family Services as one of the valued collaborators. Additionally, the response to question 2 of the same section has also been modified to indicate that OTDA is responsible for administering a majority of homeless funding.

   Comment 1: In Paragraph 1, the Plan delineates a number of state collaborators yet fails to mention Office of Children and Family Services, which funds and certifies programs for homeless youth throughout New York. These programs offer essential services to both homeless youth and youth at-risk of homelessness. Some of these programs also receive funding through OTDA programs such as ESG and SHFYA, but most do not. It is essential to recognize these services because they offer specialized services that prevent chronic homelessness and long-term dependency on government aid. By mentioning these services in the Plan, it will also encourage local CoCs (referred to in Paragraph 2) to look to homeless youth providers as an essential part of the local service continuum.

   Comment 2: In reviewing the OTDA plan, I would like to request that in section D-1 the NYS OCFS be listed as one of the other State agencies with which OTDA collaborates. Section D-1 may not necessarily provide an exhaustive list of every agency that OTDA collaborates with, but I know that OTDA has been supportive in collaborating with and in strengthening OCFS' runaway and homeless youth (RHY) shelter and support service system. A mention of OCFS might help to ensure that RHY is not inadvertently forgotten in the HPRP. Section D-2 opens with the sentence, "As the State agency through which all State funding for homeless housing and services is provided, OTDA has strong linkages with Continuum of Care Coordinating bodies throughout the State of New York". I know it doesn't change the point being made, but since OCFS does provide a small amount of State funding for RHY housing and services, it might be more accurate to say, "almost all" rather than "all". Thank you for your consideration.

C. Distribution and Administration of Funds

Reminder: The HPRP grant will be made by means of a grant agreement executed by HUD and the grantee. The three-year deadline to expend funds begins when HUD signs the grant agreement. Grantees should ensure that sufficient planning is in place to begin to expend funds shortly after grant agreement.

1. Check the process(es) that the grantee plans to use to select subgrantees. Note that a subgrantee is defined as the organization to which the grantee provides HPRP funds.

   ☒ Competitive Process
   ☐ Formula Allocation
   ☐ Other (Specify): _____

2. Briefly describe the process(es) indicated in question 1 above (limit 250 words).

   Response: HPRP funds will be awarded by the New York State Office of Temporary and Disability Assistance (NYS OTDA) through a competitive Request for Proposals (RFP) process. Notification of the availability of funds will be published in the *New York State Register* as well as on the NYS OTDA website. Funds will be made available to local Departments of Social Services and not-for-profits for eligible activities as described by the American Recovery and Reinvestment Act and HUD's notice dated March 19, 2009.

   NYS OTDA is uniquely qualified to disburse this funding because it is the State agency charged with providing financial assistance, housing, and support services to homeless individuals and families, and those who are at risk of homelessness. NYS OTDA will evaluate the proposals submitted on the merits of the documentation for need, program plan, degree of service delivery coordination, agency experience, and budget. Funding priority will be given to those areas that did not receive HPRP funds directly from HUD. Resultant awards will be for a two-year period with an option to extend for a third year should New York State achieve 60% spending and require the additional time to spend out the remaining balance.

   The procurement of services related to HPRP is subject to the approval of the Governor's Office, the New York State Attorney General, and Office of the State Comptroller, all of whom have processes in place to expedite approval of this funding. Awards will be made by September 2009 with contracts commencing shortly thereafter.

3. Briefly describe the process the grantee plans to use, once HUD signs the grant agreement, to allocate funds available to subgrantees by September 30, 2009, as required by the HPRP Notice (limit 250 words).

   Response: The solicitation for anticipated funds is expected to be released by the end of April 2009. Proposals will be accepted until June 5, 2009. Upon receipt, NYS OTDA will commence the review process with final award determinations made by the end of August. An internal review team comprised of legal counsel, contract managers, budget analysts, and program coordinators will have oversight

of the process to ensure adherence to HUD funding requirements as well as objective scoring of proposals. NYS OTDA has identified the procurement of HPRP services as a priority and will assign the necessary staff to meet all of the requirements and obligations.

As indicated in the proposed budget in Section E, approximately 70% of the funding will be allocated for financial assistance, with the remaining 30% to be allocated for housing relocation and stabilization services. This is reflective of the tremendous need for financial assistance and is also consistent with the legislation's intent of ensuring that more money flows into the economy. Approximately 60% of the funding will be targeted to homelessness prevention, while 40% will be allocated to re-housing activities. It is anticipated that an intensive effort to prevent homelessness will result in less need for re-housing activities.

It should be noted that these are NYS OTDA's best projections at this point. NYS OTDA requests the opportunity to adjust these cost allocations after the plan is implemented in order to ensure that the investment made by HUD has the maximum impact.

4. Describe the grantee's plan for ensuring the effective and timely use of HPRP grant funds on eligible activities, as outlined in the HPRP Notice. Include a description of how the grantee plans to oversee and monitor the administration and use of its own HPRP funds, as well as those used by its subgrantees (limit 500 words).

   Response: NYS OTDA fully anticipates using the full amount made available under HPRP efficiently and effectively. New York State has developed an interagency workgroup whose purpose is to monitor use of funding received through the American Recovery and Reinvestment Act in order to ensure compliance with federal requirements. NYS OTDA will submit copies of HUD's required quarterly reports to this workgroup, as well as directly to the Governor's Office. NYS OTDA will integrate the program with monitoring and oversight that currently has been successful under the New York State-administered ESG and HOPWA programs.

   Copies of all applicable federal rules and regulations for the program will be disseminated to subgrantees, along with materials to assist them with the vouchering and reporting process. Periodic conference calls and/or in-person training sessions will be held with subgrantees to address any questions they have with contract compliance and/or programmatic concerns with which they need assistance.

   All contracts entered into by NYS OTDA are subject to on-going monitoring throughout the term of the contract. The primary methods of monitoring include:
   - review of quarterly reports
   - review of year end reports
   - periodic site visits, including view of randomly–selected case files
   - on-going telephone contact with program staff

Awardees must ensure that books, records, documents and other evidence pertaining to costs and expenses under the grant are adequately maintained. NYS OTDA has legal right to direct access to any records relevant to the project, including books, documents, photographs, correspondence and records needed to complete an audit. All records pertaining to the grant including financial audits, budget, plans/drafts, supporting documents, statistical records, etc., are retained for a period of at least four years following submission of the final expenditure report. In the event that any claim, audit, litigation, or state/federal investigation is initiated before the expiration of the record retention period, the records must be retained by the grantee until all claims or findings are resolved.

The contractual agreement requires grantees to submit quarterly and final reports. Quarterly reports describe a project's progress during the quarter through a detailed narrative describing contract activities and the results achieved. Significant obstacles or problems in carrying out the contractual obligations are identified, along with plans to overcome these obstacles. To meet HUD reporting requirements, statistical data are reported to track the type of activity carried out, and the number of individuals and families assisted, including data on the racial/ethnic characteristics of the participants and other data that is required to be captured in the Homelessness Management Information System (HMIS).

Site visits by NYS OTDA staff are a critical component of project monitoring activities. The program manager attempts to visit all projects within a two-year cycle. The duration of each site visit is usually several hours and consists of an overview of the agency and the program, observation of direct service provision, and meetings with accounting staff. Grantees are asked for back-up documentation pertaining to the information contained in quarterly reports.

D. Collaboration

1. Briefly describe how the grantee plans to collaborate with the local agencies that can serve similar target populations, which received funds under the American Recovery and Reinvestment Act of 2009 from other Federal agencies, including the U.S. Departments of Education, Health and Human Services, Homeland Security, and Labor (limit 250 words).

   Response: NYS OTDA is the primary State agency that coordinates services to the homeless and households at-risk of homelessness. NYS OTDA's mission is to enhance the economic security of low-income working families, assist work-capable public assistance recipients in achieving entry into the workforce, assist individuals with priority needs other than work-readiness in accessing appropriate benefits and services, and enhance child well-being and reduce child poverty.

   NYS OTDA has well-established working relationships with other state agencies, including but not limited to: the New York State Department of Education, the New

York State Health Department, the New York State Department of Labor, the New York State Division of Housing and Community Renewal, the New York State Office of Mental Health, the New York State Office of Alcoholism and Substance Abuse Services, the New York State Office of Children and Family Services, and the New York State Police, which serve homeless and low-income individuals and families. NYS OTDA will draw on these working relationships, as well as the coordination provided by the State's interagency workgroup convened to monitor utilization of American Recovery and Reinvestment Act of 2009 funding, to ensure collaboration with other agencies that are funded under the American Recovery and Reinvestment Act of 2009.

In addition, NYS OTDA will coordinate implementation of New York State HPRP funding with that of the twenty-eight entitlement areas that also receive it. This will be accomplished through linkages with local Departments of Social Services and local Continuum of Care coordinating bodies within those entitlement areas.

2. Briefly describe how the grantee plans to collaborate with appropriate Continuum(s) of Care and mainstream resources regarding HPRP activities (limit 250 words).

   Response: As the State agency through which a majority of State funding for homeless housing and services is provided, NYS OTDA has strong linkages with Continuum of Care coordinating bodies throughout the State of New York. Notification of the HPRP funding available through the Request for Proposal process will be sent to all Continuum of Care coordinating bodies throughout the State. Needs assessment data collected through local Continuum of Care planning processes will utilized by NYS OTDA when making funding allocations to subgrantees within local areas. Ongoing participation with local Continuum of Care planning processes will be required of all subgrantees that are located in areas in which there are Continuum of Care coordinating bodies.

   Since NYS OTDA is the State agency through which funding for mainstream benefits (TANF and other forms of temporary financial assistance, Food Stamps, and employment programs) is provided, NYS OTDA will be able to ensure that all subgrantees develop strategies for assisting program participants in accessing mainstream benefits. All subgrantees will be required to collaborate with local Departments of Social Services, the county agencies through which NYS OTDA mainstream funding is funneled to localities.

3. Briefly describe how HPRP grant funds for financial assistance and housing relocation/stabilization services will be used in a manner that is consistent with the grantee's Consolidated Plan (limit 250 words).

   Response: New York's Consolidated Plan indicates that the demand for emergency housing and homelessness prevention services far exceeds existing resources. HPRP grant funds will address that identified unmet need.

NYS proposes to utilize 60% of available HPRP funds to prevent homelessness. As stated in the Consolidated Plan, many localities, particularly rural areas, have an insufficient number of programs to combat homelessness. Resources to reduce homelessness have not kept pace with demand. Current economic conditions and job losses only exacerbate the demand for homelessness prevention programs.

The balance of HPRP available funds (40%) would support rapid re-housing activities. The need for additional emergency shelter beds was identified in the Consolidated Plan. Swiftly transitioning households from emergency settings into permanent housing and providing linkages to on-going supports will aid in offsetting the increasing demand for emergency beds.

The Consolidated Plan also identified a substantial unmet need for permanent supportive housing resources. The financial assistance and housing relocation/stabilization services provided by HPRP funding will allow at-risk New York state residents to remain permanently housed.

As a result of New York State's struggling economy, the current need is even greater than that identified in the Consolidated Plan. Homelessness among both single individuals and families has continued to increase in all regions of the state. Utilizing HPRP funds to mitigate this increasing demand will fully complement existing programs governed by New York State's Consolidated Plan and will strengthen New York's response during these challenging times.

E. Estimated Budget Summary

HUD requires the grantee to complete the following table so that participants in the citizen participation process may see the grantee's preliminary estimated amounts for various HPRP activities. Enter the estimated budget amounts for each activity in the appropriate column and row. The grantee will be required to report actual amounts in subsequent reporting.

HPRP Estimated Budget Summary			
	Homelessness Prevention (60%)	**Rapid Re-housing (40%)**	**Total Amount Budgeted**
Financial Assistance[1] (70%)	$ 9,975,425	$ 6,650,284	$ 16,625,709
Housing Relocation and Stabilization Services[2] (30%)	$ 4,275,183	$ 2,850,121	$ 7,125,304
Subtotal (add previous two rows)	**$14,250,608**	**$ 9,500,405**	**$ 23,751,013**

Data Collection and Evaluation[3]	$ 500,000
Administration (up to 5% of allocation)	$ 1,276,369
Total HPRP Amount Budgeted[4]	**$** 25,527,382

[1]Financial assistance includes the following activities as detailed in the HPRP Notice: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, and motel or hotel vouchers.

[2]Housing relocation and stabilization services include the following activities as detailed in the HPRP Notice: case management, outreach, housing search and placement, legal services, mediation, and credit repair.

[3]Data collection and evaluation includes costs associated with operating HUD-approved homeless management information systems for purposes of collecting unduplicated counts of homeless persons and analyzing patterns of use of HPRP funds.

[4]This amount must match the amount entered in the cell on the table in Section A titled "Amount Grantee is Requesting."

*Allocations are based on projections for uses of funds. New York State will administer available HPRP funds through a competitive bid process, percentages may vary based on applications received and awarded.

F. Authorized Signature

By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete, and accurate to the best of my knowledge. I also provide the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

_____ _____

Signature/Authorized Official Date

_____

Title

THE CDBG-R SUBSTANTIAL AMENDMENT

Jurisdiction(s): State of New York Jurisdiction Web Address: www.nysdhcr.gov	CDBG-R Contact Person: Gail Hammond Address: 38-40 State Street, Albany, NY 12207 Telephone: 518-474-2057 Fax: 518-474-5247 Email: ghammond@nysdhcr.gov

OVERVIEW

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009 (ARRA), which includes $1 billion in supplemental Community Development Block Grant (CDBG) Program funds to be used to stimulate the economy through measures that modernize the Nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to health care through the creation of suitable living environments; provision of decent affordable housing; and creation of economic opportunities primarily benefiting persons of low- and moderate-income.

Funding for this supplemental appropriation, Community Development Block Grant Recovery (CDBG-R) Program, is being allocated based on the existing statutory formulas used for the 2008 annual allocation of CDBG funds. The CDBG-R allocation for the New York State Program is approximately $12.8 million. The New York State Housing Trust Fund Corporation's Office of Community Renewal (OCR), the administering agent for the New York State Community Development Block Grant Program will administer the State's CDBG-R Program. The State may set aside up to 10% of its allocation for program administration.

DESCRIPTION OF ACTIVITIES

New York State has reviewed its existing pipeline of applications and proposes to allocate CDBG-R funds to eligible non-entitlement communities for public infrastructure (public water and public sewer) projects that are in support of housing for low- and moderate-income households and public facilities that primarily benefit low-and moderate- income persons. The method for selecting eligible public infrastructure and public facilities projects gives priority to:

1. Projects that submitted applications under the 2008 Annual Competitive Round and were otherwise eligible for an award but not funded because of insufficient resources, and
2. Projects that can go out to bid within 120 days of the date funds are made available to the recipient.

Projects that meet the selection criteria must also address at least one of the ARRA criteria:

1. Preserving and creating jobs and promoting economic recovery;
2. Assisting those most impacted by the recession;
3. Providing investment needed to increase economic efficiency;
4. Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
5. Minimizing or avoiding reductions in essential services; or
6. Fostering energy independence.

All projects selected for funding will meet or exceed the ARRA criteria of investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits. Additionally, some projects will minimize or avoid reductions in essential services and promote energy conservation, smart growth, or green building.

JOBS CREATED

Utilizing a construction multiplier provided by the New York State Department of Labor and preliminary guidance from the Office of Management and Budget, it is anticipated that approximately 400 jobs will be created and/or retained in non-entitlement communities across New York State.

CDBG-R INFORMATION BY ACTIVITY

(1) Activity Name:
Barker, Village – Barker Water System Improvements

(2) Activity Narrative:
The Village of Barker will use $743,491 to replace waterlines throughout the Village to benefit 306 persons of whom 51.9% are low- and moderate-income persons. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Village by making necessary water system improvements affordable to the low- and moderate-income community.

(3) Jobs Created:
It is estimated that 27 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Village of Barker
JoAnn Greenwald, Mayor

P.O. Box 298
Barker, NY 14012-0298
716-795-3777

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(1) Activity Name:
Batavia, Town – Wastewater System Improvements

(2) Activity Narrative:
The Town of Batavia will use $962,788 to complete improvements to its sanitary sewer district number 1, including replacement of pump stations and asbestos-lined concrete sewer lines and the installation of a new sewer main. The district serves 700 persons, 66.5% of whom are low- and moderate-income. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Town by allowing for the much needed improvements to the sanitary sewer system for a predominantly low- and moderate-income area.

(3) Jobs Created:
It is estimated that 36 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Town of Batavia
Gregory Post, Supervisor
3833 West Main Street Road
Batavia, NY 14020
585-343-1729

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(1) Activity Name:
Bethlehem, Town – South Albany Sewer District Improvements

(2) Activity Narrative:
The Town of Bethlehem will use $467,383 to replace sand filters in the South Albany Sewer District which serves 59 residents, 69.5% of whom are low- and moderate-income. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Town by addressing health and safety violations and making necessary sewer system improvements affordable to the low- and moderate-income community.

(3) Jobs Created:
It is estimated that 18 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Town of Bethlehem
Paul Penman, Senior Civil Engineer
445 Delaware Avenue
Delmar, NY 12054
518-439-4955

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(1) Activity Name:
Cohoes, City – Vliet Street Waterline Replacement

(2) Activity Narrative:
The City of Cohoes will use $715,929 to replace aged water main along Vliet Street in order to address serious breaks and failures. In addition, approximately 90% of the lateral connections in the public right-of-way contain lead which poses a health hazard to the 153 residents 92.3% of whom are low- and moderate-income persons. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the City by providing much needed upgrades to the water system and making the improvements affordable to the low- and moderate-income resident.

(3) Jobs Created:
It is estimated that 27 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
City of Cohoes
Edward Tremblay, Director of Community and Economic Development
169 Mohawk Street
Cohoes, 12047
518-237-0507

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(1) Activity Name:
Corfu, Village – Storm Sewer Improvement Program

(2) Activity Narrative:
The Village of Corfu will use $1,035,405 to replace parts of its deteriorated storm sewer which is currently undersized and in many places collapsed. The overflow of sewers into the sanitary sewer system results in higher operating costs. 308 residents, 53.6% of whom are low- and moderate-income, would benefit from the project. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Village by making necessary storm system improvements affordable to the low- and moderate-income community.

(3) Jobs Created:
It is estimated that 39 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Village of Corfu
Todd Skeet, Mayor
116 Main Street
Corfu, NY 14036
585-599-3844

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(1) Activity Name:
Delevan, Village – Water System Improvement Project

(2) Activity Narrative:
Using $1,252,339 the Village of Delevan will construct a filtration system, replace collectors, and eliminate above ground lines for their water system. The project will benefit a total of 981 persons, 54% of who are low-and moderate-income. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Village by providing much needed upgrades to the water system and making the improvements affordable to the low- and moderate-income residents.

(3) Jobs Created:
It is estimated that 47 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Village of Delevan
Anthony Wenke, Mayor

P.O. Box 216
Delevan, NY 14042
716-492-1424

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(1) Activity Name:
Fallsburg, Town – Water District Water Main and Hydrant Replacement

(2) Activity Narrative:
The Town of Fallsburg will use $558,735 to replace aged cast iron water lines that suffer from frequent breaks and the replacement of deteriorated fire hydrants that post problems for fire suppression. 259 persons in the target area, of whom 81% are low- and moderate-income persons, will benefit. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Town by providing much needed upgrades to the water system and making the improvements affordable to the low- and moderate-income residents.

(3) Jobs Created:
It is estimated that 21 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Town of Fallsburg
Steven Levine, Supervisor
P.O. Box 2019
Fallsburg, NY 12779-2019
845-434-8812

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(1) Activity Name:
Java, Town – North Java Water District Improvements

(2) Activity Narrative:
With $433,331 the Town of Java will upgrade the North Java Water District including replacing the existing water source and the storage reservoir. The replacement is necessary in order to ensure a sufficient supply of water for its 78 users, 56% of whom are low- and moderate-income persons. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Town and its water district. It will also meet the requirements by **minimizing or avoiding reductions in essential services** because without these improvements the system is at risk of running out of potable water which has occurred in the past two years.

(3) Jobs Created:
It is estimated that 16 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Town of Java
James Fleischman, Supervisor
P.O. Box 38
Java Center, NY 14082
585-492-4560

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(1) Activity Name:
Lyons, Village – Waterline Replacement Project

(2) Activity Narrative:
The Village of Lyons will use $430,386 to replace water mains and fire hydrants in an area that suffers from serious water breaks, groundwater infiltration, and reduced firefighting capacity. The 143 residents, 88.1% of whom are low- and moderate-income, are unable to afford the improvements. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Village by providing much needed upgrades to the water system and making the improvements affordable to the low- and moderate-income residents.

(3) Jobs Created:
It is estimated that 16 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Village of Lyons
Corrine Kleisle, Mayor
76 Williams Street
Lyons, NY 14489
315-946-4531

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(1) Activity Name:
Naples, Village – Public Water Supply System Improvements

(2) Activity Narrative:
Using $1,545,980, the Village of Naples will develop a water filtration system for its water supply to address DOH mandates to address groundwater under the influence of surface waters. The Village's population of 661, 52.7% of whom are low- and moderate-income are unable to afford the improvements. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Village by making necessary water system improvements affordable to the low- and moderate-income community.

(3) Jobs Created:
It is estimated that 58 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Village of Naples
Don Braun, Mayor
P.O. Box 386
Naples NY 14512
585-374-2435

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(1) Activity Name:
Parish, Village – Wastewater Treatment Plant Improvements

(2) Activity Narrative:
The Village of Parish will use $601,932 to replace 20 grinder pumps for the Village wastewater treatment facility. The existing facility serves 528 persons 52.8% of whom are low- and moderate-income and unable to afford any additional debt to cover the costs. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Village by providing much needed upgrades to the sewer system, addressing Department of Environmental Conservation violations, and making the improvements affordable to the low- and moderate-income residents.

(3) Jobs Created:
It is estimated that 23 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:
The Village's project will help to promote energy efficiency by replacing aged, inefficient grinder pumps with new, high efficient pumps. Each new pump will use a

lower amount of energy than the old pumps and the pumps will also reduce the amount of groundwater in the system, which, in turn, reduces the amount of water entering the wastewater treatment facility for processing. It is estimated that these upgrades will reduce energy consumption by 25%.

(5) Responsible Organization:
Village of Parish
Leon Heagle, Mayor
P.O. Box 308
Parish, NY 13131
315-625-4592

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(1) Activity Name:
Penn Yan, Village – Brown Street Water Main Improvements

(2) Activity Narrative:
The Village of Penn Yan will use $420,726 to replace waterlines and fire hydrants along Brown Street. The neighborhood is comprised of 105 persons of whom 59% are low- and moderate-income. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Village by addressing waterlines that are subject to frequent breaks resulting in a loss of water and lack of fire suppression.

(3) Jobs Created:
It is estimated that 16 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Village of Penn Yan
Douglas Marchionda, Mayor
P.O. Box 426
Penn Yan, NY 14527
315-536-3015

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(1) Activity Name:
Rensselaer, City – Broadway Infrastructure Improvements

(2) Activity Narrative:
Using $627,224, the City of Rensselaer will replace sewer lines along Broadway in the City. The City's population of 7,666 persons will benefit from the project and 56.9%

of the population qualifies as low-and moderate-income persons. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the City by addressing necessary improvements to the wastewater treatment collection system.

(3) Jobs Created:
It is estimated that 23 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
City of Rensselaer
Marybeth Pettit, Planning Director
505 Broadway
Rensselaer, NY 12144

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(1) Activity Name:
Rensselaer, County – Handicapped Accessibility Improvements

(2) Activity Narrative:
Rensselaer County will use $467,383 to install handicapped access to the Rensselaer County Office Building and the Troy Area Senior Service Center. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** and **minimizing or avoiding reductions in essential services** by making the County facility and senior service center accessible to all including those with physical, auditory, and visual handicaps.

(3) Jobs Created:
It is estimated that 18 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Rensselaer County
Linda von der Heide, Principal Planner
1600 Seventh Avenue
Troy, NY 12180
518-270-2921

(1) Activity Name:
Sinclairville, Village – Senior Center

(2) Activity Narrative:
The Village of Sinclairville will use $310,297 to rehabilitate their existing senior center in order to bring the facility up to New York State building code, provide kitchen upgrades to improve health and safety for the senior residents of the Village. 177 individuals currently access the facility for various services including those operated by the County Office for the Aging. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Village by providing upgrades to an existing facility that currently does not meet building code.

(3) Jobs Created:
It is estimated that 12 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:
A major component of the project is to install energy efficient improvements in order for the facility to reduce its operating costs.

(5) Responsible Organization:
Village of Sinclairvile
Kenneth France, Mayor
P.O. Box 489
Sinclairville, NY 14782
716-962-9455

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(1) Activity Name:
Wawarsing, Town – Kerhonkson Water Main Replacement Project

(2) Activity Narrative:
The Town of Wawarsing will use $613,111 to upgrade the aged Kerhonkson Water District including the installation of deteriorated pipes and fire hydrants. The system serves 467 persons of whom 73% are low-and moderate-income and are unable to afford the cost of these improvements. The project will meet the requirements of ARRA by **investing in infrastructure that will provide long-term economic benefits** to the Town by providing much needed upgrades to an aged system and by making the upgrades affordable for the low- and moderate-income residents.

(3) Jobs Created:
It is estimated that 23 construction, temporary and permanent jobs will be created or

retained.

(4) Additional Activity Information:

(5) Responsible Organization:
Town of Wawarsing
Edward Jennings, Supervisor
P.O. Box 671
Ellenville, NY 12428
845-647-6570

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(1) Activity Name:
Willsboro, Town – Smith House Family Health Care Center

(2) Activity Narrative:
The Town of Willsboro will use $404,660 to renovate the Smith Housing Family Health Clinic which is located in a medically underserved area. Annually, 3,991 patients are seen at the clinic, 63.09% of whom are low- and moderate-income persons. The project will meet the requirements of ARRA by **assisting those most impacted by the recession; investing in infrastructure that will provide long-term economic benefits, and by minimizing or avoiding reductions in essential services** by providing improvements and expanding services to a health care facility in a medically underserved area which predominantly benefits low- and moderate-income persons.

(3) Jobs Created:
The Town anticipates that the improvements will result in the retention of 11.5 full-time equivalent jobs and the creation of 2.5 full-time equivalent jobs through the addition of a dental clinic. In addition, it is estimated that 15 construction, temporary and permanent jobs will be created or retained.

(4) Additional Activity Information:
As part of the project, the Town intends to make energy efficiency improvements to the facility including installation of on-demand water heaters and solar panels for supplemental heating and cooling.

(5) Responsible Organization:
Town of Willsboro
Lori Lincoln-Spooner, Supervisor
P.O. Box 370
Willsboro, NY 12996
518-963-8668

CITIZEN PARTICIPATION

Consistent with the CDBG-R Notice, the CDBG-R substantial amendment to the New York State 2008 Action Plan was published for no less than seven calendar days for public. Additionally, the State has undertaken several activities to provide reasonable notice and opportunity to comment on the proposed substantial amendment to the 2008 Action Plan. A public comment period notice, including a toll-free number for the public to request copies of the amendment, was placed in the *New York State Register*. In addition, the public comment notice was printed in newspapers with statewide circulation including minority newspapers and was also published in Spanish. The public comment notice was sent to the Division of Housing and Community Renewal's (DHCR) electronic mailing list as well as to the New York State Task Force on the National Affordable Housing Act (NAHA) and Partnership Advisory Committee (PAC) and was also forwarded electronically to communities throughout the State, including libraries and public offices.

New York State invited all interested persons to review and comment on the proposed CDBG-R Substantial Amendment. The public comment period began on Friday, June 5, 2009 and ended at close of business on Thursday, June 11, 2009. In addition to being available online, copies could be requested by e-mail at: DHCRConPln@nysdhcr.gov or by calling 1-866-ASK-DHCR (275-3427).

PUBLIC COMMENTS

Comment: One commenter disagreed with 10% of the CDBG-R allocation being directed to New York State's administrative costs because the program is already in place. The commenter states that taking advantage of this allowance would lessen the impact of the funds on the economy, and it appears that DHCR already had a list of projects to fund. The commenter recommends a maximum of 5% should be used to administer the CDBG-R program.

Response: The 10% statutory maximum is substantially lower than the 20% statutory maximum allotted under the annual CDBG program. These administrative funds will help offset the additional costs incurred to meet the administrative requirements of ARRA. To meet the transparency and accountability requirements of the funding, ARRA has placed additional reporting requirements on States and localities and has, as such, provided funding with which to comply with these requirements.

Comment: One commenter recommends that projects from the 2008 list should be reviewed to see if any of them were targeted to get EFC, EPA, USDA, FEMA or other financing from other government entities. If so, these projects should be passed over because the other government entities have already spent considerable administrative costs to get a recipient close to funding. Removing that funding source and replacing it with CDBG-R funding is a duplication of administrative costs and lowers the result of getting the projects completed.

Response: The Office of Community Renewal is working closely with other funding agencies including EFC and USDA to ensure that funding is not duplicated or substituted and to ensure that ARRA funds are used in the most effective manner.

Comment: One commenter recommended that the priority to go out to bid within 120 days should be extended to 180 days because of the large amount of projects that are being reviewed by environmental entities across the state.

Response: The 120 day priority requirement is a requirement of HUD and cannot be changed by the State.

Comment: One commenter recommended that in order to assist those entities affected by the recession, a portion of the CDBG-R funds should go toward projects which are newer than those on the 2008 list because at the time of application, the entities were not in a recession.

Response: The majority of the 2008 projects eligible for consideration also requested funding for the same project in our 2009 Annual Competitive Round. Communities with projects eligible for consideration have been impacted by the recession such as other communities in New York State.

Comment: One commenter recommends that the CDBG-R program give priority to eligible public infrastructure and public facilities projects that will create affordable public transportation for rural New Yorkers. The commenter states that public dollars invested in such transportation projects will support much-needed housing opportunities for low and moderate-income households in rural areas. Funding such projects will also simultaneously further two key economic goals of the CDBG Program and ARRA: energy independence and job creation.

Response: The projects being considered for CDBG-R funding are infrastructure projects that will preserve and create jobs and promote economic recovery and invest in infrastructure that will provide long-term economic efficiency. These public water and sewer projects represent the needs and priorities of these communities. The New York State Department of Transportation is working with communities across the State to address their priority transportation needs.

Comment: One commenter recommends that the NYS CDBG-R Plan allocate the extra stimulus funding equitably to rural areas of the state, including a geographic consideration for rural areas of western New York. The commenter states that water and sewer infrastructure projects in support of affordable housing may not touch many areas of upstate and western New York where population loss cannot justify the construction of additional housing units. Lack of employment and under-employment in the poorest areas of New York State is creating new foreclosures to deal with and exacerbates already serious economic conditions. The commenter also recommended a broad application for the use of additional CDBG funds in non-entitlement villages and towns.

Response: As stated in our Action Plan, New York State CDBG funds are not distributed geographically. This applies to all New York's annual allocation of CDBG as well as CDBG-R funding. A typical public infrastructure project funded by OCR, addresses health and safety concerns; improves water quality and supply; replaces or repairs infrastructure systems; and provides services to residents in need. As with our annual round of funding, CDBG-R funds will be allocated for projects within non-entitlement communities.

Comment: One commenter recommended that HUD disapprove the proposed CDBG-R substantial amendment because the Action Plan to be amended is the 2008 Action Plan, and DHCR is currently operating under the 2009 Action Plan. The commenter stated that the 2008 Action Plan is no longer in effect and that the proposal to simply fund losing applications from over a year ago would not be in the spirit of ARRA.

Response: The U.S. Department of Housing and Urban Development (HUD) is requiring a substantial amendment to the 2008 Annual Action Plan (Action Plan) as the regulatory mechanism to advance CDBG-R projects for funding. Per the guidance provided by the HUD, amending the 2008 Annual Action Plan is the only option for New York to qualify for ARRA funds. CDBG-R funds can only be allocated to communities (entitlement and non-entitlement) that were eligible for CDBG funding in 2008. For the annual CDBG Program, New York State is working under the 2009 Action Plan.

In order to meet the requirements of CDBG-R by giving priority to projects that can be under contract within 120 days of award, the Office of Community Renewal is looking only at projects that were submitted for funding under the 2008 Annual Competitive Round and could not be reached for funding due to the lack of additional financial resources

NEW YORK STATE
ANNUAL ACTION PLAN
PROGRAM YEAR 2010

AS APPROVED BY U.S DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT DECEMBER 28, 2009

NEW YORK STATE
DIVISION OF HOUSING
& COMMUNITY RENEWAL

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