



**NEW YORK STATE
Annual Action Plan
Program Year 2014**

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**NEW YORK STATE DIVISION OF
HOUSING AND COMMUNITY RENEWAL**

NEW YORK STATE HOUSING TRUST FUND CORPORATION

**NEW YORK STATE OFFICE OF TEMPORARY AND
DISABILITY ASSISTANCE**

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***to be added**

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 in order to receive federal funding for certain affordable housing and community development activities. This Consolidated Plan is comprised of the planning and application requirements for:

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

As required, New York State's Consolidated Plan:

- 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 Consolidated Plan is prepared every five years, distributed widely and updated annually. In 2010, New York State submitted, and HUD accepted, the New York State Consolidated Plan: 2011 – 2015. In 2011, New York State submitted, and HUD accepted, an Annual Action Plan for 2012. In 2012, New York State submitted, and HUD accepted, an Annual Action Plan for 2013. The following Annual Action Plan for 2014 updates the 2011-2015 Consolidated Plan by describing the methods New York State will use to distribute CDBG, HOME, ESG, and HOPWA funds in the 2014 calendar year. In addition, the Annual Action Plan for 2014 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 2014, New York State's:

- **CDBG – Community Development Block Grant Program**
The CDBG Program will use, based on prior year allocations, approximately \$42 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, and sustainability, New York State will: rehabilitate approximately 735 housing units; assist 135 first-time homebuyers; complete 20 public infrastructure projects serving 40,000 people; complete five public facilities projects serving 10,000 people; create or retain 800 permanent, full-time equivalent jobs; and assist 30 businesses.
- **HOME – HOME Investment Partnerships Program**
The HOME Program will use approximately \$15 million to increase the availability/accessibility and affordability of decent housing by creating 794 affordable housing opportunities through a combination of new construction, rehabilitation, homebuyer assistance, and rental assistance.
- **ESG – Emergency Solutions Grants Program**
The ESG Program will use roughly \$4.6 million to increase the availability/accessibility of suitable living environments and decent housing by providing a wide range of supportive services. New York State will contribute roughly \$11 million for the same activities to serve approximately 39,962 unique individuals.
- **HOPWA – Housing Opportunities for Persons with AIDS Program**
The HOPWA Program will use almost \$2 million to increase the availability/accessibility and affordability of suitable living environments and decent housing by assisting 400 households with rental assistance or congregate housing.

Outcome estimates in this Annual Action Plan for 2014 are based on actual performance in recent years. An evaluation of actual performance in 2014 will be the subject of the Performance Report for 2014, which will be filed with HUD on March 31, 2015.

As with all other Consolidated Plan-related documents, this Annual Action Plan is being prepared in accordance with New York State's Citizen Participation Plan.

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 expected accomplishments of New York State in administering the CDBG, HOME, ESG, and HOPWA programs during calendar year 2014.

Principal Federal Resources

During 2014, it is estimated that federal funding for these four (4) programs will be available as follows:

• NYS Community Development Block Grant Program	CDBG	\$ 42,000,000¹
• HOME Investment Partnerships Program	HOME	\$ 15,000,000
• Emergency Solutions Grants Program	ESG	\$ 4,684,154
• Housing Opportunities for Persons with AIDS Program	HOPWA	\$ 1,977,135

Federal 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 Rural Housing Service (RHS) Farm Labor Housing Loans and Grants
 - Section 515 RHS Rural 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 Waiver – Office for Persons with Developmental Disabilities (OPWDD)
 - Appalachian Regional Commission – many program areas
 - Department of Health and Human Services (Administration on Aging)

New York State Housing Agencies and Programs in Support of New York State's Objectives

- **New York State Homes and Community Renewal**

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.

New York State Homes and Community Renewal (HCR) aligns all of the State's housing programs in a logical way to enhance decision making and ensure that program resources are being coordinated and targeted to maximize resources.

The alignment was undertaken in 2010 and takes similar programs which had in the past been administered by the Housing Trust Fund Corporation (HTFC), the State of NY Mortgage Agency (SONYMA), the Housing Finance Agency (HFA), the Affordable Housing Corporation (AHC), and the Division of Housing and Community Renewal (DHCR) and organizes them into four offices:

- **Office of Finance and Development** aligns all programs that fund the development of affordable housing, including Low Income Housing Tax Credit programs, tax exempt and taxable bond finance programs, single family loan programs and Capital award programs.
- **Office of Housing Preservation** includes all the programs that maintain and enhance the State's portfolio of existing affordable housing. This includes the Office of Rent Administration, the Section 8 program, the Office of Housing Operations and the Weatherization Assistance Program.
- **Office of Community Renewal** includes all the programs geared toward community and economic development, job creation and downtown revitalization, including the NYS Community Development Block Grant Program, the NYS HOME Program, NY Main Street Program, the Urban Initiatives Program, the Rural Area Revitalization Program, Residential Emergency Services to Offer Repairs to the Elderly, Access to Home Program, the Affordable Housing Corporation, Neighborhood Stabilization Program, the Neighborhood and Rural Preservation Programs, and Foreclosure Prevention Programs.
- **Office of Professional Services** is comprised of professional, administrative and support services. These include Budget and Finance, Communications, Legal Affairs, Fair Housing and Equal Opportunity, Intergovernmental Affairs, and Policy and Research. The Mortgage Insurance Fund will continue to be administered as an independent office reporting directly to the Commissioner/CEO.

This model is designed to cut red tape and simplify the delivery of programs, eliminate duplicative efforts and increase accountability and impact.

- **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 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.
- **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 Housing Trust Fund's Office of Community Renewal, the New York State Departments of State, Health, and Environmental Conservation, and the U.S. Department of Agriculture Rural Development.

- **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, Farmers' Market Nutrition Program and Community Gardens Program.
- **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.
- **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.
- **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.

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 derived from 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 CDEs for investments 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. In identifying the outcome/objective, HUD developed a numbering system:

Objective \ Outcome	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

- **DH-1 Increasing the availability/accessibility of decent housing**
To pursue this objective and outcome, New York State will, in 2014, rehabilitate about 315 units of affordable housing and provide approximately 33,610 persons with services to prevent homelessness or rapidly re-house those already homeless.
- **DH-2 Increasing the affordability of decent housing**
To pursue this objective and outcome, New York State will, in 2014, assist 135 households with homeownership assistance and assist approximately 479 households with affordable rental or home-ownership housing, purchase assistance subsidies and 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 2014, assist about 9,552 persons by funding essential services and shelter operations activities, and assist about 650 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 2014, fund infrastructure improvements which will serve about 40,000 persons.
- **SL-3 Increasing the sustainability of suitable living environments**
To pursue this objective and outcome, New York State will, in 2014, fund public facilities improvements which will serve approximately 10,000 persons.
- **EO-1 Increasing the availability/accessibility of economic opportunity**
To pursue this objective and outcome, New York State will, in 2014, fund economic development and small business assistance activities which will create or retain about 800 permanent, full-time equivalent jobs.
- **EO-2 Increasing the affordability of economic opportunity**
To pursue this objective and outcome, New York State will, in 2014, assist about 30 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 2014 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 these four 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 New York State Housing Trust Fund Corporation (HTFC) is designated to administer the New York State Community Development Block Grant (CDBG) Program through the Homes and Community's Renewal's (HCR) Office of Community Renewal (OCR). HTFC is a public benefit corporation, created by statute, which acts through a Board of Directors chaired by New York State HCR's Commissioner. New York State's CDBG Program will address the needs, 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, New York State will provide loans or grants and 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, support small businesses or foster micro-enterprise activities.

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

- support a mix of rehabilitation and conversion activities to preserve and increase affordable housing, for both 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; and
- develop and implement strategies that facilitate the coordination of NYS CDBG funding with other federal, state, and local development resources.

Strategic Plan Objective, Outcomes and Indicators

New York State intends to use its CDBG Program funds to support its Strategic Plan objectives of providing 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, support small businesses or foster micro-enterprise. The following objectives and outcomes are anticipated.

Objective: Decent Housing

In an effort to improve affordable housing throughout New York State's communities, New York State intends to provide funding for housing rehabilitation and replacement, direct homeownership assistance, and private water/wastewater assistance, to preserve and increase the supply of affordable housing for low-income renters and owners. It is anticipated that the following outcomes will be achieved through the CDBG Program in 2014:

Outcome: Availability/Accessibility

Through CDBG housing rehabilitation and replacement programs, New York State will 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 units of owner or renter occupied housing units rehabilitated or replaced.

Outcome: Affordability

Through CDBG direct homeownership assistance programs New York State will increase affordability of housing by providing down payment, closing cost, mortgage subsidy and other forms of purchase assistance to income-eligible homebuyers.

Objective-outcome category = DH-2

Key Indicator: Total number households receiving direct homeownership assistance.

Objective: Suitable Living Environment

In an effort to create suitable living environments for the residents of New York State's communities, New York State intends to provide funding for public infrastructure projects. It is anticipated that the following outcomes will be achieved through the CDBG Program in 2014:

Outcome: Affordability

New York State will improve the affordability of suitable living environments while eliminating health and safety hazards by installing, repairing, or replacing public infrastructure systems.

Objective-outcome category = SL-2

Key Indicator: Total number of persons with improved or new access to public infrastructure.

Objective: Suitable Living Environment

In an effort to create suitable living environments for the residents of New York State's communities, New York State intends to provide funding for public facility projects. It is anticipated that the following outcomes will be achieved through the CDBG Program in 2014:

Outcome: Sustainability

New York State will create sustainable, suitable living environments by constructing, rehabilitating, or repairing public facilities.

Objective-outcome category = SL-3

Key Indicator: Total number of persons with improved or new access to public facilities.

Objective: Economic Opportunities

In an effort to create economic opportunities throughout New York State's communities, New York State intends to provide funding to assist New York State businesses. It is anticipated that the following outcomes will be achieved through the CDBG Program in 2014:

Outcome: Availability/Accessibility

New York State will increase the availability and accessibility of economic opportunities by assisting businesses who will create or retain full-time equivalent job opportunities.

Objective-outcome category = EO-1

Key Indicator: Total number of full-time equivalent jobs created and/or retained.

Objective: Economic Opportunities

In an effort to create economic opportunities throughout New York State's communities, New York State intends to provide funding to assist New York State businesses. It is anticipated that the following outcomes will be achieved through the CDBG Program in 2014:

Outcome: Affordability

New York State will increase the affordability of economic opportunities by assisting low- and moderate-income business owners in start-up or expansion.

Objective-outcome category = EO-2

Key Indicator: Total number businesses assisted.

NYS CDBG Program/Federal Resources

It is currently estimated that \$42 million will be available in 2014. 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.

New York State may set aside up to three percent (3%) of the gross allocation plus \$100,000 for program administration and technical assistance activities with a maximum set aside of up to one percent (1%) for the technical assistance activities. Secondary funding may include 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 may allocate available funds to eligible non-entitlement communities during the 2014 Program Year in the following manner:

Community Development (housing, public infrastructure/facilities)	50%
Economic Development	44%
Imminent Threat	3%
Program Administration and Technical Assistance	3%

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 or small business creation or expansion.
- 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.
- Address imminent threats to health, safety, and welfare.
- 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 within the urban county or metropolitan city; and Indian

tribes eligible for assistance under Section 106 of the HUD Act. Distribution of New York State CDBG funds is based on need, the manner in which the activities address the need, the overall impact to the community, and prior performance. New York State does not intend to use a geographic distribution in its awarding of New York State CDBG funds.

Method of Distribution

As stated, approximately \$42 million is anticipated to be made available for the 2014 Program Year. The description that follows outlines the fundamental rating methodology, identifies the funding categories, and summarizes the criteria considered in making project selections. Specific information on scoring methodology and specific rating criteria is outlined in the application kits made available for each type of funding. Applications are rated against other projects of the same category and scored on criteria such as municipal poverty, project assessment and New York State/HTFC initiatives and priorities such as those that support regional economic development council plans and strategies. For example, housing rehabilitation projects will only be rated against other housing rehabilitation projects, according to the applicable criteria.

1. Municipal Poverty Score

a. Absolute number of persons in poverty

New York State will use available data to determine the absolute number of persons in poverty residing within the applicant's unit of general local government. Detailed information on the calculation of the points will be outlined in the application kit.

b. Percent of persons in poverty

New York State will use available data to determine the percent of persons in poverty residing within the applicant's unit of general local government. Detailed information on the calculation of the points will be outlined in the application kit.

2. Assessment Points

Within each category, individual projects will be assessed based on the extent to which they meet the category-specific 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 program and State 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
- Extent to which the project/activity supports regional plans and strategies

3. New York State/HTFC Initiatives and Priorities – NYS Initiative and Priority Points may 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 compliance with regional economic development council strategies and priorities, fair housing, equal employment opportunity, green building, broadband, smart growth, main street, economic/commercial revitalization, or shared municipal services. Strict adherence to requirements outlined in the grant application is essential in order for an applicant to receive the points.

- **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 2014 Program Year, New York State will provide opportunities for the primary categories of funding: housing; public infrastructure/facilities; and economic development. 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. A minimum of seventy percent (70%) of the funds will be used to provide a benefit to low- and moderate-income persons.

- **Funding Limits for Eligible Applicants**

Funding Limits may vary depending on local need or 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 impact.

Community Development Assistance:

Towns, Cities or Villages:

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

Counties:

Housing/ /Public Infrastructure	\$750,000
Public Facilities	\$400,000

Joint Applicants:*

Public Infrastructure (water/sewer only)	\$900,000
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*Projects must meet specific requirements in order to qualify for funding under the Joint Applicants category.

Economic Development Assistance:

Strategic Economic Development program	\$750,000
Minimum Request	\$100,000
Small Business Assistance program	\$100,000
Minimum Request	\$25,000
Microenterprise program	\$200,000

• **Other Limitations**

- Applicants may submit more than one (1) application during a program year, but the maximum amount requested for a single category may not exceed the total amount for that category. For example, a City may submit multiple applications for public infrastructure, but the combined total amount for all requests cannot exceed \$600,000.
- Joint Applicants for water/sewer may apply for more than one (1) application, but the total amount requested by each applicant jointly and individually cannot exceed \$900,000 and the maximum amount allowable for each funding category.
- 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 or agency policy or program requirements prior to award or submission of any application to the Office of Community Renewal. Applications received from recipients with outstanding audit or monitoring findings may be at risk of receiving a low score and/or not being considered for funding.
- Unless a recipient proposes to use program income generated from CDBG activities to undertake activities of the same project type that generated the program income or the CDBG activities generating the program income are undertaken by an eligible entity under 105(a)(15) of the Housing and Community Development Act who will receive and administer the existing and earned, recipients may be required to be return all program income to the New York State Housing Trust Fund Corporation.

• **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 the primary or secondary funding categories and/or administration identified in New York State's Action Plan and the 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.

- **Notification of Funding and Application Review Process**

- Notification of Funding Availability (NOFA) is published in the State Register. (An application kit and a copy of the NOFA are available on HCR's website at www.nyshcr.org).
- Applications are reviewed to determine completeness, applicant and activity eligibility and compliance with threshold criteria.
- Applicants submitting incomplete applications will be required to submit the required documentation within ten (10) working days from notification.
- Applications are evaluated, scored, and ranked.
- Applicants are notified of the results of their application.
- Grant awards are announced.

- **Additional Economic Development Funding**

The majority of economic development funds will be made available through a competitive process. However, due to the nature of some economic development projects, the need for assistance may be immediate. Therefore, New York State reserves the right to make some of the economic development funds available on a non-competitive, open-round basis. These 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.

- **Economic Development Evaluation**

Specific guidance for the submittal of applications, including detailed descriptions of the evaluation criteria will be available in the application. In addition to reviewing an applicant's compliance with the criteria and the underwriting of the project, 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 HCR/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.
- Support of a New York State initiative, priority or regional plan or strategy.

Community Development Assistance

Housing

There are two (2) types of housing projects eligible for CDBG funding: housing rehabilitation, and direct homeownership assistance. Housing rehabilitation assistance includes the replacement or conversion of units from non-residential to residential, replacement of deteriorated mobile and manufactured homes, and repair and replacement of private residential water and wastewater systems including lateral connections. Each applicant determines the best approach to address the housing needs of low- and moderate-income persons in the proposed service area based upon a needs analysis and detailed survey of housing conditions. At a minimum, after rehabilitation 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 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:**

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. Home maintenance workshops that provide information and develop home maintenance skills of the owner-occupants to sustain the life of the repairs are encouraged.

New York State expects that approximately 735 units of housing will be improved through rehabilitation, replacement and/or conversion in Program Year 2014. (New York State does not anticipate these units meeting Section 215 goals as the majority of units assisted will be single-family, owner occupied units). 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:**

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.

New York State expects that 135 households will be assisted in purchasing their own homes in Program Year 2014. (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 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.

New York State anticipates the completion of 20 public infrastructure projects serving 40,000 people and five (5) public facilities projects serving 10,000 people in Program Year 2014. (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 2014			
CDBG Program			
Planned Project Results			
Objective-Outcome Category	Performance Indicator	Expected Number	Activity Description
DH-1	Total Housing Units	735	Housing Rehabilitation
DH-2	Total Households Assisted	135	Homeownership Assistance
SL-2	Total Persons Served	40,000	Infrastructure Improvements
SL-3	Total Persons Served	10,000	Public Facility Improvements
EO-1	Total Permanent Full-Time Equivalent Jobs Created/Retained/Assisted	800	Economic Development Job Creation/Retention
EO-2	Total Businesses Assisted	30	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

Economic Development Assistance

Job Creation/Retention Assistance

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 through the Economic Development Program. For 2014, there will be two categories of funding under the Economic Development Program: Strategic Economic Development and Small Business Assistance which may include assistance to microenterprise businesses.

New York State expects to fund projects which create or retain 800 permanent full-time equivalent jobs in Program Year 2014 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.)

New York State also estimates that a total of 30 low- and moderate-income microenterprise businesses will be assisted.

Secondary Funding Categories

- **Imminent Threat**

The State intends to set aside 3% of its annual allocation to address imminent threat or contingency situations affecting the public health, welfare and/or safety, which require immediate resolution. The actual amount used is contingent upon the imminent threat needs identified during the course of the program. Typically, eligible projects are located in a federal or state declared disaster area. The amount may be exceeded if the need for imminent threat funding exceeds the set aside or may be less if no imminent threat or contingency situations are identified during the course of the program year.

- **Technical Assistance**

In accordance with Section 811 of the Housing and Community Development Act of 1992, up to 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.

- **Section 108 Loans**

New York 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. New York 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 after consultation with the HTFC. Eligible communities will be asked to submit preliminary information establishing that the proposed project meets federal eligibility requirements. The total 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 may 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 Housing Trust Fund Corporation (HTFC) 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. 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.
- Annual implementation calls or workshops to provide program and regulatory requirement information assistance and to review all contract conditions, requirements, and procedures for requesting payments.
- Detailed technical assistance for improving grant administration procedures should a grantee be experiencing difficulty.

HTFC must further be satisfied with compliance in the following 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
- Other federal and State regulatory requirements

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 or recapture 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). HUD's specific written approval is required for other forms of investment, as provided in § 92.205(b). Approval of the consolidated plan or action plan under § 91.500 or the failure to disapprove the consolidated plan or action plan does not satisfy the requirement for specific HUD approval for resale or recapture guidelines.*
- (ii) If the State intends to use HOME funds for homebuyers, it must state the guidelines for resale or recapture, and obtain HUD's specific, written approval, as required in Sec. 92.254. Approval of the consolidated plan or action plan under § 91.500 or the failure to disapprove the consolidated plan or action does not satisfy the requirement for specific HUD approval for other forms of investment.*
- (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, creates 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 participating jurisdiction intends to use HOME funds for homebuyer assistance or for rehabilitation of owner-occupied single family housing and does not use the HOME affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with 24 CFR 92.254(a)(2)(iii).*
- (v) The State must describe eligible applicants (e.g., categories of eligible applicants), describe its process for soliciting and funding applications or proposals (e.g., competition, first-come first-serve; sub-grants to local jurisdictions) and state where detailed information may be obtained (e.g., application packages are available at the office of the State or on the State's website).*
- (vi) The participating jurisdiction may limit the beneficiaries or give preferences to a particular segment of the low-income population only if described in the action plan.*
- (A) Any limitation or preference must not violate nondiscrimination requirements in 24 CFR 92.350, and the participating jurisdiction must not limit or give preferences to students.*
 - (B) A limitation or preference may include, in addition to targeting tenant-based rental assistance to persons with special needs as provided in 24 CFR*

92.209(c)(2), limiting beneficiaries or giving preferences to persons in certain occupations, such as police officers, firefighters, or teachers.

(C) The participating jurisdiction must not limit beneficiaries or give a preference to all employees of the jurisdiction.

(D) The participating jurisdiction may permit rental housing owners to limit tenants or give a preference in accordance with 24 CFR 92.253(d) only if such limitation or preference is described in the action plan.”²

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 through New York State Homes and Community Renewal (HCR). HTFC is a public benefit corporation, created by statute, which acts through a Board of Directors chaired by New York State HCR Commissioner. HCR has a memorandum of understanding with HTFC to provide staff services for the HOME Program.

HUD published a new Final Rule for the HOME Program on July 24, 2013, with most provisions taking effect on August 23, 2013. This Action Plan reflects the requirements of that Final Rule as well as the requirements imposed on the HOME Program by the Congress with the 2013 appropriation.

Strategic Plan Objective, Outcomes and Indicators

New York State intends to use its HOME Program funds 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, New York intends to 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. It is anticipated that the following outcomes will be achieved through the HOME Program in 2014:

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 providing the production of single- and multi-family rental units, including workforce housing and senior housing, increasing homeownership opportunities by providing purchase assistance, and increasing rental opportunities by providing rental assistance to eligible households.

Objective-outcome category = DH-2

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

² This reflects the regulation as amended by the HOME Final Rule published on July 24, 2013, for effect on August 23, 2013.

HOME Program Resources, Other Project Resources and HOME Matching Funds

New York State anticipates an allocation of approximately \$15 million in new HOME funds for 2014. It is assumed that, excluding administrative funds, approximately \$13.5 million in HOME funding will be available to address housing needs for Program Year 2014. In addition, New York State anticipates receiving approximately \$1 million in program income during Program Year 2014.

It is anticipated that approximately \$2 million in 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 2014.

The HOME Program generally attracts substantial private and other public dollars into its funded projects. After allocating 10% administrative funds, it is anticipated that the \$13.5 million in HOME and Housing Trust Fund matching funds to be invested during the coming year will generate additional investments. These funds will come from other State and federal programs, owner equity contributions, private financing, and other sources and will allow the HTFC to meet its twenty-five percent (25%) HOME match obligation.

Overview of 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 regulations, including both rental and homeownership housing.

New York State estimates that these resources will create 794 affordable housing opportunities during the program year beginning January 1, 2014. Approximately 315 units of existing owner-occupied housing will be rehabilitated, increasing availability of decent housing (DH-1). Approximately 479 units of housing will be assisted through the production of new rental units, new construction homebuyer units, increased rental assistance or through purchase assistance for eligible homebuyers thereby 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 expected to be completed during the current year and estimated units to be completed and delivered for occupancy during the 2014 program year.

The total amount of funding to be invested per unit 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 2014, due to increases in acquisition and construction costs. The State reserves the right to revise these projections as additional cost information becomes available.

Method of Distribution

New York State distributes HOME Program funds 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.

If, after a notice of funding availability and request for proposals has been publicly issued, and after the 15% set aside for CHDOs has been allocated, and the HTFC makes a written finding that eligible, complete, and feasible applications received for projects in non-participating jurisdictions will not totally utilize the remaining available reserved funds to be awarded, then HTFC may award the remaining funds within areas served by participating jurisdictions.

Per the HOME regulations, HTFC may utilize up to 10% of each allocation of funds as reimbursement for administrative costs and up to 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 fully described in the application guidance and the extent to which proposals are consistent with the priorities identified in this Action Plan and NYS initiatives and priorities, such as those established by a Governor's Regional Economic Development Council.

Applications that will produce the highest quality of housing units that are sustainable for the longest period of time, for the lowest-income New Yorkers and, which respond to an overall strategy to address housing needs will have the greatest likelihood of being funded. HTFC will strive to fund projects in support of the objectives identified in the Strategic Plan of the 2011-2015 Consolidated Plan by providing scoring preference for those applications which demonstrate a feasible approach to meeting one or more objectives.

Depending on the identified needs, applicants may receive additional scoring consideration for applications that address specific state and regional priorities which may include, but are not limited to the following:

- Programs that incorporate energy efficiency measures in the scope of work for housing rehabilitation and propose to coordinate with Weatherization Assistance Programs to encourage energy conservation in project design.
- Programs that propose affordable and accessible housing for seniors.
- Programs that target persons with special needs, including those with physical or mental disabilities.
- Programs that propose to improve rental housing in single family homeownership projects.
- Programs that target rehabilitation in homes that are considered "at risk" for lead hazards or other health and safety hazards.
- Programs that incorporate green building standards as a requirement of housing rehabilitation.
- Programs that focus on a "strategy area" in collaboration with other funded programs that include neighborhood revitalization and economic development.

Funding of Projects Located in Participating Jurisdictions

HTFC anticipates that some HOME funds may be used for eligible activities that are located in participating jurisdictions. Preference will be given to projects in which the participating jurisdiction collaborates directly with a non-profit affordable housing provider to deliver affordable housing units. HTFC will assist the participating jurisdiction and non-profit to ensure coordination of effort and appropriate subsidy layering. The project must decrease the typical amount of HTFC funding needed to complete the project and increase the amount of funds leveraged by the participating jurisdiction. 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)

In accordance with provisions of the National Affordable Housing Act of 1990, the State will reserve a minimum of 15% of the total amount of HOME funds received for CHDOs. CHDOs must apply to the State to develop, sponsor, or own projects. HTFC will, as part of the competitive application process, issue a NOFA that will encourage participation by CHDOs.

To meet the 2013 HOME appropriation act and the 2013 Final Rule requirements, CHDOs must demonstrate their ability to meet HUD's criteria to be certified as a CHDO and successfully administer a HOME funded project. CHDOs applying to receive HOME funds will be certified by the HTFC on a per project basis. The HTFC will review submittal information, as prescribed by the HOME regulations, including organizational and financial documents, verification of staff capacity, project underwriting and market need. The HTFC will notify the CHDO of its approval specific to the development of a particular project. HTFC does not accept certifications of other participating jurisdictions.

HTFC conducts extensive outreach and technical assistance to CHDOs and other partners. HTFC/HCR staff, consultants made available by means of technical assistance funds available to the HTFC and not-for-profit intermediaries designated by HUD are all involved in the provision of technical assistance. Each year, prior to the application deadline for the HOME program, outreach is provided through various means to provide assistance to eligible applicants. During the year, seminars and clinics are held that focus on particular topics related to the HOME program. HTFC and HCR staff maintains frequent contact with CHDOs. When it is determined that a group may benefit from individual technical assistance (from HTFC/HCR staff, a consultant, or a not-for-profit intermediary), appropriate referrals are made. The HTFC 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.

Geographic Distribution

Distribution of funds is based on the need, the manner in which the activities address the need, the overall impact to the community and past performance of the applicant. The ultimate geographic distribution of assistance cannot be predicted, as funds may be awarded in any part of the State, including within participating jurisdictions and Native American reservations.

NYS HOME Program Types of Projects Funded

HTFC HOME Program applications may be classified as either: **NYS HTFC HOME Local Programs**, which provide housing rehabilitation, homeownership, or rental assistance in an identified program service area; or **NYS HCR HOME Capital Projects** (site-specific), to develop rental housing (usually a multi-family building or buildings).

Approximately 60% of New York's annual allocation is reserved for the NYS HTFC HOME Local Program with the remaining 40% reserved for the NYS HCR HOME Capital Projects (site-specific).

NYS HTFC HOME Local Program

Through its Local Program, the HTFC provides funds to 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 organizations are referred to as Local Program Administrators, or

LPAs. New York State may also provide funding for Community Housing Development Organizations (CHDOs) to develop single-family (1-4 unit) homeownership housing or small-scale rental housing of fewer than 10 units. Applications considered under Local Programs for CHDOs must meet specific underwriting criteria to be eligible for funding.

Depending on the anticipated local need, HTFC may limit the amount of funds that will be awarded to LPAs. In general, applicants should have successfully administered similar programs in the past and should be able to demonstrate the capacity to utilize the amount of funding requested. HTFC reserves the right to reduce the awarded amount from what was requested in an application. LPA's may be allocated up to 5% of their award to offset administrative costs.

Eligible Local Programs Activities

Homeowner Rehabilitation

HOME funds may be used to assist existing homeowners with the repair, rehabilitation or reconstruction of owner-occupied units. Housing rehabilitation work must be performed according to HTFC's housing rehabilitation standards and the unit must be brought up to the applicable state and/or local code. If a state or local code does not exist, the unit may be brought up to the standards of the national model codes. LPA's may not undertake some stand-alone forms of special purpose homeowner repair programs, such as Weatherization, emergency repair or handicapped accessibility programs, however, these types of activities may be undertaken as part of a comprehensive housing rehabilitation project, if the property meets or will be meet the applicable HTFC Housing Rehabilitation Standards and NYS and/or local code or national code upon completion.

Projects should be part of a community revitalization strategy or a strategy to provide housing for areas undergoing economic transition. Projects should 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 to include: senior housing, energy efficiency, affordability, accessibility, preservation of historic properties, traditional pedestrian-oriented development and/or support mixed-income and mixed-use communities.

Projects may also be funded for non-targeted scattered-site housing rehabilitation activities. These proposals must demonstrate a need for the scattered site rehabilitation, clear impacts on housing affordability, substantial experience with the HOME program and administration of similar size and scope projects. Projects targeting special needs populations, senior housing or meeting a specific identified need, such as lead hazard control, energy conservation, or increased accessibility for physically disabled households, may be considered priority projects.

Homebuyer Activities

HOME funds may be used to finance the acquisition and/or rehabilitation or new construction of single family housing (1-4 units), and condominium and cooperative units for homebuyers. HOME funds may also be used to assist in the purchase of or replacement of mobile/manufactured homes, as a homebuyer activity or homeowner occupied housing rehabilitation activity.

Acquisition:

HOME funds may be used to assist eligible homebuyers to purchase affordable homes by providing down payment and/or closing cost assistance for first-time homebuyers.

If HOME funds are used to assist a homebuyer who has entered into a contract to purchase housing to be newly constructed, the homebuyer must qualify as a low-income family, at the time the contract is signed.

Acquisition and rehabilitation

HOME funds may be used to fund home purchase and housing rehabilitation activities. Projects may provide assistance directly to homebuyers for down payment and closing cost assistance and/or funds for minor housing repairs to meet code, testing for health and safety issues, testing for lead-based paint issues, energy efficiency and conservation measures and other improvements to enhance long term affordability. Housing rehabilitation must be completed within 6 months from the date of purchase and the new homeowner can't reside in the property until after documentation that all health and safety hazards have been repaired prior to occupancy. The unit must meet NYS and/or local or national codes upon completion.

New Construction and Substantial Rehabilitation

HOME funds may be used for projects developed or sponsored by CHDOs, to construct new housing or provide acquisition and substantial housing rehabilitation of existing housing, for sale to HOME eligible first-time home buyers.

Lease-Purchase Option

Projects may use HOME funds to provide a Lease to Purchase option in combination with a CHDO-developed or sponsored homebuyer program. Ownership must be conveyed within 36 months of signing the lease-purchase agreement, or within 42 months of project completion. The affordability period of the unit commences when ownership of the unit is conveyed to the homebuyer. If at the end of the 36-month period, the household occupying the lease-purchase unit is not eligible or able to purchase the unit, the CHDO has an additional six months to identify an eligible homebuyer to purchase the unit. In all cases, if a homebuyer does not purchase the unit by the end of the 42-month period, it must be converted into a HOME rental unit.

Conversion to Rental

Any HOME homebuyer units that have not been sold to an eligible homebuyer within 6 months of construction completion must be converted to HOME eligible rental units or the CHDO must repay the HOME investment. Projects must provide a written process for assurance that CHDO understands and will be in compliance with HOME rental unit regulations, in the event a unit needs to be converted from a homebuyer unit into a HOME rental unit.

Homeownership Counseling

Homeownership programs must include an effective homeownership counseling component to enable assisted buyers to avoid subprime and predatory lending and become successful home owners. Prior to purchase, a "Certificate of Completion" for appropriate homebuyer counseling will be required for all assisted homebuyers.

To meet the 2013 HOME appropriation and 2013 Final Rule requirements, the following is required for homebuyer assistance programs, prior to LPA contract execution:

Homebuyer Programs that include closing costs and down payment only, no funds for acquisition and/or housing rehabilitation:

1. Provide written description of how the LPA will evaluate the following, for each unit, to demonstrate compliance with HTFC underwriting standards:
 - Qualifying ratios for homebuyers
 - Loan to value ratios
 - Subsidy layering analysis to include identity of all funding sources in the unit
 - Home buyer investment in the unit
 - Market analysis that demonstrates there is a need for the project in the service area
2. Provide written description of the LPA's experience in successful administration of a HOME funded homebuyer program. The description must be specific to staff experience and the process and procedures in place for program and financial administration.

Homebuyer Programs that include housing development (acquisition with housing rehabilitation):

1. Provide written description of how the LPA/CHDO will evaluate the following to demonstrate compliance with HTFC underwriting standards for each unit:
 - Qualifying ratios for homebuyers
 - Loan to value ratios
 - Subsidy layering analysis to include identity of all funding sources in the unit
 - Home buyer investment in the unit
 - Market analysis that shows there is a need for the project in the service area
2. Provide written description of LPA/CHDO experience in successful administration of a HOME funded homebuyer program. The description must be specific to staff experience and the process and procedures in place for program and financial administration.
3. Provide a market analysis that demonstrates there is a need for homebuyer projects in service area, to include specific references for data and/or source documentation.
4. Provide written process for identifying project developer(s). The process must include the ability to verify:
 - Appropriate experience and capacity
 - Financial capacity that includes future projections
 - Schedule of key tasks and milestones
 - Developers marketing plan to demonstrate there is a need for the product in the service area
 - Pre-sale activity, waiting lists
 - Developer references

NYS HOME Local Program Home Buyer Resale/Recapture Provisions

When HOME 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 HOME resale and recapture requirements described in 24CFR 92.254(a)(5). Under most circumstances, the recapture method as described below will be used, although in certain limited circumstances, the resale method may be required or selected by the local program administrator with HTFC approval.

Recapture

Under most circumstances (except as noted below under Resale), homeownership projects undertaken by a State recipient or sub-recipient will be subject to recapture.

Legal documents – The homebuyer assistance will be secured by means of a note and mortgage given to HTFC by the low-income household being assisted. A standard form of the note and mortgage is provided to State recipients, sub-recipients and CHDOs by HTFC.

Homebuyer assistance – The amount of the note and mortgage is the “homebuyer assistance”. It includes both:

- Any HOME funds provided to the buyer at time of purchase (down payment, closing cost or purchase assistance) to assist with the purchase, whether provided directly by the program administrator or by the developer using funds provided by the program; and
- Any reduction in the purchase price from fair market value to an affordable purchase price or amount required to be contributed by the buyer through buyer funds or other mortgages.

If there is no homebuyer assistance (development subsidy), then the resale method outlined below must be used.

Affordability Period – 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 following table outlines the required minimum affordability periods:

If the homebuyer assistance in the unit is:	The period of affordability is:
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

The affordability period will be determined by the amount of homebuyer assistance.

Local recipients will be permitted to propose a local use restriction period beyond these minimum periods, or continue the note and mortgage due on sale provisions beyond these minimum periods, subject to HTFC approval and designation of this additional period as an extended local use period that does not increase the “affordability period” as defined by HUD regulations. Any payments during such extended periods shall be treated as program income, subject to HOME requirements.

Amount subject to recapture -- 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 funds subject to recapture at the time the event occurred. The amount

of recapture are permitted in the event of a voluntary or involuntary sale is based on a combination of Owner Investment Returned First (as described in 92.254(a)(5)(ii)(A)(4)) and Pro rata reduction (as described in 92.254(a)(5)(ii)(A)(2)).

Recapture is limited to the net proceeds of the sale, which is defined as the sales price minus superior debt and seller paid closing costs, and include only the following items to the extent actually incurred: broker's commission, reasonable attorney's fees, and any transfer tax or recording fee payable by the seller pursuant to state statute or local ordinance in connection with the conveyance.

Upon transfer, whether voluntary or involuntary, the net proceeds of the sale will be determined and distributed as follows, to the extent proceeds are available:

1. Owner shall first be reimbursed from the net proceeds of the sale, if any, for the following:
 - The down payment made at the time of the initial purchase of the property, if any;
 - The principal amortized on superior debt during the affordability period, if any; and
 - The verified cost of capital improvements to the property, if any.
2. The HUD Program Administrator shall then be repaid the Recapture Obligation to the extent there are sufficient sale proceeds remaining. The Recapture Obligation is the amount of homebuyer assistance, as defined above. It will be reduced on a pro rata basis (by 1/ [number of years of affordability period]) during the affordability period at the end of each complete year of the affordability period. For example, if a 10 year affordability period applies, and the homebuyer sells at the end of Year 4, then the amount of the note is reduced by 40%. If the LPA incurs any costs in collecting the Recapture Obligation secured by the note and mortgage, including but not limited to reasonable attorney's fees, such costs will be added to the Recapture Obligation and will also be secured by the note and mortgage. If remaining net proceeds are insufficient to repay these amounts, the remaining net proceeds will be considered as full satisfaction of the recapture obligation.
3. The remainder of the net proceeds, if any, shall be retained by the owner.

HOME funds that are used as a development subsidy, and are not part of the home buyer assistance, will not be subject to recapture from the homebuyer.

Recapture will only be made from net proceeds of sale. If there are no net proceeds of sale, then no recapture shall be made.

HTFC requires that all recaptured funds and program income earned by a State recipient, sub-recipient or CHDO to be returned to the HTFC within 30 days of receipt for reallocation in accordance with the method of distribution of funds described elsewhere in this Plan.

Resale

Under most circumstances, the recapture provisions outlined above will be used in HOME homebuyer activities. However, resale restrictions may or must be used under the following circumstances:

- When HOME Program funds are used only as a development subsidy for the construction or renovation of homeownership housing, and no homebuyer assistance is provided, resale restrictions must be used instead of recapture restrictions as described above.
- At the request of the LPA when HOME funds are invested in: a larger homeownership development, a condominium or cooperative project; projects where a substantial per-unit

investment of subsidy is provided; local markets with predominantly high home sales prices, rapidly appreciating housing costs, or where affordability will not be preserved by unrestricted sales of assisted units. HTFC approval of the conditions warranting use of resale restrictions is required.

- Resale restrictions are also used when land trusts own the property. HOME resale restrictions will be enforced through the land trust ground lease mechanism.

Resale restrictions will ensure that housing assisted with HOME funds is made available for resale only to low-income households that will use the property as their principal residence.

Legal Documents -- Resale covenants will be enforced by means of a HTFC provided Restrictive Covenant and Resale Restriction and deed restriction that runs with the title to the land, unless the project is located in an area of "presumed affordability" that meets the conditions described in 92.254(a)(5)(i)(B). Such areas of presumed affordability will be subject to approval of HTFC.

HTFC will permit the use of notes and mortgages in addition to, but not in lieu of, deed restrictions to secure the rights of HTFC and local program administrators to recover HOME funds in the event of non-compliance or adverse transfers.

The statute and rule (92.254(a)(5)(i)(A)) provides that the restriction may be extinguished by a third-party lender in the event of foreclosure, deed in lieu of foreclosure or assignment. HTFC will permit local program administrators to use rights of first refusal or other means to intervene and preserve the affordability of the unit.

Affordability Period -- The following table outlines the required minimum affordability periods for homebuyer projects that are subject to resale restrictions:

If the total HOME investment in the unit is:	The period of affordability is:
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

The period of affordability is determined by the total investment of HOME funds in the unit, regardless of whether or not the funds are reflected in buyer financing.

Low-income households eligible to purchase properties restricted by resale provisions must be households whose annual incomes do not exceed 80% of the median income for the area as determined by HUD with adjustments for family size.

The home must be occupied by the low-income household as its principal residence for the affordability period.

Resale During the Affordability Period – If the assisted property is sold while under the resale restrictions, the home must be sold to a HOME eligible buyer approved by HTFC or its local program administrator.

Resale Price -- The price at resale must provide the original HOME-assisted homebuyer a fair return on the investment and be affordable to a reasonable range of low-income buyers. Therefore, sales price during the affordability period can occur at market value, up to the following two limitations:

- Fair return to seller – The price shall not exceed a price that results in net proceeds (after senior debt and sales costs) to the seller that exceeds: (1) the reimbursement of the original owner's down payment made at the time of initial purchase, if any; (2) the verified costs of capital improvements to the property if any; and (3) principal amortized on the senior debt during the period of ownership. These net proceeds may be adjusted for increases in home prices in the local market during the period of affordability.
- Affordable to range of low-income buyers – The sales price also cannot exceed a price that is affordable to households at or below 80% of area median income (AMI). The HTFC defines "affordable price" as a price at or below the amount that a low income family at or below 80 % AMI is paying no more than 35 percent of their income for the payment of mortgage principal and interest, property taxes and insurance on the property.

The seller must have the sales price approved by HTFC or its local program administrator, in addition to approval of the HOME eligible buyer. If the fair market value of a HOME assisted property subject to resale provisions is more than what is affordable to the subsequent low-income purchaser, then additional HOME assistance may be given by HTFC or its local program administrators.

Rental Housing

HOME funds may be used in Local Programs, to assist projects of less than 10 units, for acquisition, substantial rehabilitation and new construction of affordable rental housing that is developed or sponsored by CHDOs.

HOME funds may be used as a development subsidy, typically made to developers as permanent financing only. Projects must demonstrate collaboration and support of a community revitalization strategy.

Tenant-based Rental Assistance (TBRA)

HOME funds may be used to provide Tenant-based Rental Assistance (TBRA). TBRA is a rental subsidy that helps individual households with housing costs, such as rent and security deposits. TBRA may also assist tenants with utility deposits but only when HOME funding is also used for rental assistance or security deposits.

The TBRA project must provide payments to make up the difference between what a household can afford to pay for housing and local rent standards.

The TBRA project must help individual households (rather than subsidizing particular rental projects). TBRA assistance moves with the tenant, if the household no longer wishes to rent a particular unit, the household may take its TBRA and move to another rental property. The TBRA subsidy may vary and is based upon the income of the household, the particular unit the household selects, and the local rent standards.

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 92.209 (Tenant-based Rental Assistance) 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 Consolidated Plan, 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, and applicants that propose to serve special populations to be consistent with the special needs of the Consolidated Plan and the requirements of 92.209(c)(2).

Community Housing Development Organization CHDO Projects

A minimum of 15% of the State’s total allocation for HOME funds will be reserved for community housing development organizations (CHDOs). HTFC/HCR may entertain CHDO applications for the development of single-family (1-4 unit) homeownership projects or rental housing development of 10 or fewer units. These projects must meet specific underwriting criteria and they will only be considered for funding if they address a significant need within the CHDOs service area. In particular, CHDO projects that will provide additional housing opportunities located within community revitalization target areas are encouraged.

CHDOs that successfully develop new housing, or acquire and rehabilitate vacant substandard existing housing, in a timely manner, will be eligible to receive a developer fee.

CHDO 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) or small-scale rental housing (less than 10 units). The CHDO must obtain project financing, construct or rehabilitate the dwelling units and have title to the property during the rehabilitation/construction period. Upon project completion of homebuyer projects, the HOME loan obligation must be transferred to an eligible home buyer. If rental, the CHDO must hold title to the property for the affordability period or transfer the property to a pre-identified HOME eligible nonprofit, in compliance with 92.300(a)(5).
- The proposal must identify the 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 opportunities.

CHDOs seeking funding for the development of more than 10 units must apply for HOME funds through the NYS HCR HOME Capital Program.

To meet the 2013 HOME appropriation act and the 2013 Final Rule requirements, the following is required of CHDOs, prior to execution of a contract for HOME funds:

CHDO Staff Capacity:

HOME funds may only be provided for development activities to CHDOs that have demonstrated they employ staff with proven development experience to include the following:

1. Must provide written description of CHDO staff experience in successful administration of a NYS HOME Program and/or similar CHDO homebuyer or rental assistance program. The description must be specific to staff experience and the process and procedures in place for program and financial administration.
 - a. To be counted as staff, the person must be employed by the CHDO:
 - i. Full or part-time employment: evidenced by payroll report, W-4 or W-2
 - ii. Contracted staff: contract for employment and W-9 and 1099
 - b. Relevant development experience:
 1. CHDO staff must have been involved in the acquisition, rehabilitation and/or construction and sale of homebuyer or rental housing projects similar in size and scope of the proposed project.
 - ii. Must provide written description of experience in successful administration of a similar homeownership or rental program. The experience must be specific to the process and procedures in place for program administration including construction management and financial administration.

Project Evaluation:

1. Must provide documentation to meet home buyer underwriting requirements at 92.254(f), and HTFC underwriting standards to include a process for evaluation of the following for each assisted unit:
 - Qualifying ratios for homebuyers
 - Loan to value ratios
 - Subsidy layering analysis to include all funding sources in the unit
 - Homebuyer investment in the unit (including assets to purchase)
 - Appropriateness of assistance to buyer
- Written process for identifying project developer(s). The process must include the ability to verify:
 - Appropriate experience and capacity
 - Financial capacity that includes future projections

- Schedule of key tasks and milestones
 - Developers marketing plan, demonstrating a need for the product in service area
 - Confirmed pre-sale activity and current waiting lists
 - Developer references
2. Market Analysis that demonstrates there is a need for HOME program assisted units in the area to be served, as identified in the HOME Program Application and Administrative Plan. The analysis must include specific references for data and/or source documentation.

Conversion to Rental for Home Buyer Units:

HOME assisted homebuyer units that have not been sold to an eligible homebuyer within 6 months of construction completion must be converted to HOME eligible rental units or the CHDO must repay the HOME investment.

The CHDO must certify that:

- It understands and will be in compliance with HOME rental unit regulations, in the event a unit needs to be converted from a homebuyer unit into a HOME rental unit.
- It will address rental conversion proceeds of sale and budgetary issues.

Competitive Application Process

All HOME funds will be distributed competitively, according to the distribution plan previously described, with NYS 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. Included in the application is specific guidance for the submittal of applications. Applicants are required to provide documentation needed to determine project feasibility and marketability, which may include, but is not limited to the following:

- 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 including the expected project commencement date, expected completion date, and the anticipated schedule for closing and occupancy of units as applicable.
- 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 a description of how the project will further goals set forth within the State's Consolidated Plan and any local consolidated plan or other development plan
- A plan describing how the applicant will comply with HTFC's initiatives which may include, but is not limited to requirements for code compliance, visitability, accessibility, green building, standards, energy efficiency and conservation measures, and elimination of health and safety hazards and lead based paint.

The application provides specific guidance for the submittal of applications including detailed descriptions of the rating criteria that must be addressed for each of the funding categories.

Analysis of the application may include, but is not limited to 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 low and moderate income households or will serve a mix of incomes or special populations, and the affordability of the proposed purchase prices or rents.
- The extent to which the proposal will meet the State's goals to provide affordable and accessible units of senior housing.
- The extent to which the proposal will meet the State's goals to replace substandard mobile and/or manufactured homes.
- The degree to which the proposal leverages additional private investment and/or other funding while reducing the State's investment and increasing the supply of affordable housing units.
- Project readiness, status of financing and public approvals, applicant experience and other factors that impact the likelihood of project completion.
- The degree to which the project meets certain energy efficiency, health and safety, green building standards, accessibility 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.
- The extent to which an applicant understands the process to achieve compliance with multiple regulations pertaining to approved activities under the HOME Program.

Eligible applicants selected to receive HOME funds for tenant-based rental assistance, rehabilitation of owner-occupied properties and homebuyer assistance projects that generally have 4 or fewer units, will be designated as State recipients or sub-recipients.

Complete and eligible CHDO homeownership applications will be rated using the criteria outlined in the application guidance. The criteria may include, but is not limited to the following:

- 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 low and moderate 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, incorporate green building standards in new construction and housing rehabilitation or promote community revitalization.
- The applicant's capacity and prior experience.
- The extent to which the applicant can demonstrate knowledge of the processes for compliance of HOME and other federal regulations.

Monitoring Local Program Administrators

HCR/HTFC acknowledges that it must develop a risk-based monitoring plan for implementation in compliance with 92.504(a) for implementation by July 24, 2014, and will update these procedures at that time.

HCR/HTFC has implemented monitoring standards and procedures required for monitoring local program administrators, including both local governments (State recipients) and not-for-profit organizations (sub-recipients) and CHDOs 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 annual monitoring may take the form of either a desk audit or an on-site review. However, each program awarded funds will be monitored on-site at least once during the contract term. 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: HCR/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: In-house monitoring regularly involves the use of Integrated Disbursement and Information System (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.

Program Implementation Monitoring: HTFC's "Monitoring Guide for State Recipients and Sub-recipients" which explains all program monitoring requirements is available on OCR's website. The guide covers all relevant regulatory requirements, includes site inspection forms and checklists for staff, and includes guidance for recipients to understand how staff implements 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, the resale and or recapture requirements are self-enforcing through the recorded note and mortgage documents, however, Local Program Administrators are required to annually monitor to ensure beneficiaries of HOME assistance occupy the unit as principal place of residency during the period of affordability. 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, HCR/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. HCR also surveys recipients who have undertaken rental rehabilitation programs to collect information on recipients' monitoring activities.

On-site Monitoring: At least once during the life of a contract, OCR staff monitors locally-administered programs for both fiscal and programmatic compliance through periodic site visits conducted by regional office staff. In addition to examinations of program and project records for statutory and regulatory compliance, staff visits several project sites to ensure that

work is being completed as reported, and in compliance with HTFC standards 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 can become more effective.

Other Monitoring of Local Administrator: 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

NYS HCR HOME Capital Projects (Site-Specific)

HTFC/HCR provides HOME funds for acquisition, rehabilitation, and construction for site-specific multi-family rental projects. Projects that 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 initiatives, visitability and energy efficiency practices; and projects that will support community revitalization efforts; preserve existing affordable housing resources; or collaborate with other governmental agencies may receive selection preference. Specific selection criteria are included in the Request for Proposals that is issued subsequent to the Notice of Funding Availability. Also, HOME funds awarded to 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 HCR/HTFC determines that a proposal may be accomplished at a lower cost to the State than proposed, less will be awarded. In order to safeguard federal HOME funds, HCR/HTFC does not provide HOME funds as construction financing.

Site-Specific Project Monitoring

Monitoring Multifamily Rental Projects

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

- **Selection** – HCR/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, 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 and federal and State environmental review.
- **Construction Monitoring** – HCR/HTFC monitoring includes the review of: disbursement requests for payment of construction draws; change orders; retainage amounts for unfinished work (if construction financing is provided); and regular 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 HCR's Asset Management Unit, 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 HCR 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 HCR 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.

HCR/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 HCR/HTFC. In addition, there may be certain items that pertain to non-federal funds granted by HCR, as required.

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 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 New Construction 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 Assistance) 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 multi-family 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.

Section 91.320(k)(3) Emergency Solutions 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 Solutions Grants (ESG) Program for New York State through which it coordinates activities to enhance the quality and quantity of homeless facilities, services for homeless persons including rapid re-housing and services to those at risk of homelessness. As a result of regulation changes resulting from the HEARTH Act, New York State OTDA has combined ESG funds with New York State funds dedicated in the State budget for similar activities to form one cohesive program entitled Solutions to End Homelessness Program (STEHP). By forming this program, OTDA facilitated the State’s transition to requirements as established by the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act, which amends and reauthorizes the McKinney-Vento Homeless Assistance Act. In addition, the STEHP program has streamlined the application process for its community partners and will ultimately increase the effectiveness and coordination of services to homeless or near homeless individuals and families in New York State. A Request for Proposals was released summer 2011 soliciting STEHP providers. In 2012 New York State funded 37 providers to conduct STEHP activities with ESG funds and the additional New York State funds. In 2013, as a result of an increase in ESG funds plus an increase in New York State funds, the STEHP program funded 67 providers for a total of \$15,767,296. In 2014, the 67 providers will continue to receive STEHP funds in the amount of \$15,767,296. From the ESG allocation of \$4,684,154, NYS will use \$4,449,947 towards programming and reserve \$234,207 for administration. Current STEHP contracts will end in 2014. Therefore, in early 2014 a new RFP will be issued under the STEHP Program.

Strategic Plan Objectives, Outcomes and Indicators

The STEHP Program addresses the suitable living environment and the provision of decent housing objectives of the State’s Strategic Plan. Approximately 30% of the funding is allocated to street outreach, drop-in center and shelter activities, 58% of the funding to prevention activities, and 12% of the funding to rapid re-housing activities. The 2014 Program Year projects a total of approximately 39,962 unique individuals being served as follows:

Objective: Decent Housing

In order to provide decent housing for individuals and families at-risk of homelessness or to those that are already homeless, the STEHP Program will fund and administer homelessness prevention activities as well as rapid rehousing activities in order to alleviate potential homelessness and provide low-income households with the services necessary to build housing stability. The following outcomes will be achieved in 2014:

Outcome: Increase Availability/Accessibility

Increase availability/accessibility by developing and implementing homelessness prevention activities and rapid re-housing activities including, but not limited to, legal services, mediation programs, and rental subsidies for individuals and families at-risk of homelessness or for those that have become homeless.

Objective-outcome category = DH-1 (see HUD Table 3C for ESG on page 31)

Key Indicator: Number of individuals or families at risk of homelessness receiving homelessness prevention and number of homeless individuals or families receiving rapid re-housing services. It is estimated that 33,610 unique individuals will be served.

Objective: Suitable Living Environment

To provide a suitable living environment for homeless individuals and families, the STEHP Program will 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 households with the support services necessary to build self-sufficiency. The following outcomes will be achieved in 2014:

Outcome: Increase Availability/Accessibility

Increase availability/accessibility by providing essential services to homeless persons including, but not limited to, employment, physical health, mental health, substance abuse, and educational services. 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 essential services and/or staying in shelter housing. It is estimated that approximately 9,552 unique individuals will be served.

HUD Table 3C (Optional)			
Annual Action Plan 2014			
ESG Program			
Planned Project Results			
Objective-Outcome Category*	Performance Indicator	Expected Number of Individuals	Activity Description
DH-1	Total Individuals Served	33,610	Homelessness Prevention and Rapid Re-housing
SL-1	Total Individuals Served	9,552	Essential Services and Shelter Operations

*Some duplication occurs between those receiving Rapid Re-housing and Essential Services/ Shelter 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 2014, the period covered by this Action Plan, approximately \$4,684,154 from HUD will be used to support ESG activities. After deducting 5% for the State’s administrative share (\$234,207), a total of \$4,449,947 ESG funds will be allocated to contracts, along with New York State funds to distribute \$15,767,296 to contractors across the State performing ESG eligible activities through the STEHP Program.

ESG Program Matching Funds

Although New York State will contribute matching state funds in a greater amount than is required for

the ESG program, there was a matching funds requirement stipulated in the 2011 STEHP RRP. Therefore grantees will provide matching funds from other sources in the amount of 25% of their grants. 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, OTDA 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)
- New York State Supportive Housing Program (NYSSHP)
- 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 2014, 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, post relocation services, support services, etc.
- **Permanent Housing** – legal interventions to prevent evictions, homeless re-housing assistance, advocacy for entitlement benefits, cash assistance for security deposits and rental assistance, and support services to stabilize in housing, etc.

For Program Year 2014, STEHP funds will be distributed among eligible activities to community partners as follows:

- Drop-in Center, Shelter and Transitional Housing 30%
- Homelessness Prevention 58%
- Rapid Re-housing 12%

As discussed in the Needs Assessment section of the Consolidated Plan, when selecting proposals for funding, OTDA gives special priority to projects that fill identified gaps in the continuum of care in various regions of the State. Furthermore, special priority is given to applications that 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

New York State released a competitive Request for Proposals (RFP) under the STEHP Program in 2011. In 2014, \$15,767,296 in combined ESG and New York State funds will be available to 67 not-for-profit organizations and local governments. New York State anticipates that approximately 39,962 unique individuals will benefit from activities funded by this program.

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

- Applicant agency must meet all State and federal requirements as a threshold criterion 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 Program.
- The reasonableness of the total project cost and the 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 program functions as a part of a local Continuum of Care, or similar body
- 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 that the project will report client level data in the local Continuum of Care Homeless Management Information System (HMIS) Database, or comparable database.
- 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:

- Projects that demonstrated accessibility for persons with disabilities and conform with the ADA Title III requirements.
- Projects that demonstrated the provision of materials in alternative formats for persons with disabilities as required by the ADA (i.e. Braille, audio recording).
- Projects that have been developed with New York State capital funds and are deemed competitive and meet all eligibility criteria.
- Projects outside of directly entitled ESG areas.
- Projects that demonstrated at least an 85% positive housing outcome rate.

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. During 2014, approximately 40% of the funds will be committed to New York City and 60% to counties elsewhere in the State.

Program Monitoring, Report Requirements and Performance Standards

Periodically, recipients of these funds are invited to attend a one-day meeting or telephone conference 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. Major improvements in the contractor's adherence to the program requirements have been observed since this activity was initiated.

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 twenty days after the end of each quarter).
- Review of final reports (due thirty days after the expiration of the contract).
- Periodic site visits, including review of randomly-selected case files.
- On-going telephone and mailing 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, HMIS data, 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 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 based on data entered into HMIS. 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 contract 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 annual renewal of contracts, in addition to providing a self-evaluation of the benefits realized by homeless or near homeless household, all grantees' spending habits and positive housing outcome rates are examined by OTDA staff. Should a contractor not expend at least 75% of the annual award amount by the end of an annual funding cycle, or should a contractor not attain a 75% positive housing outcome rate by the end of an annual funding cycle, OTDA reserves the right to adjust the award amount for future years.

Program Specific Requirements for ESG

Written Standards

NYS OTDA expects, and will monitor, the establishment and implementation of the following written standards by its sub recipients:

1. Standard policies for determining eligibility for ESG funded programs, including documenting household income less than 30% of the Area Median Income for Prevention services.
2. Policies and procedures for coordination with other local service and housing providers.
3. Policies and procedures for prioritizing eligible individuals and families.
4. Policies related to Street Outreach.
5. Policies for admission into emergency shelters, case planning while at the shelter, safety in the shelter systems and appropriate discharges from shelter.
6. Policies and procedures for determining whether a family is eligible for rapid rehousing or prevention.
7. Standards for determining the levels of rental assistance to be paid by the agency and by the program participant and whether and how the assistance will be adjusted over time, including but not limited to:
 - a. Utility and rental arrears payments may only be issued for a maximum of 6 months.
 - b. Rental assistance payments for prevention clients may only be made for a maximum of 6 months.
 - c. Rental assistance payments for rapid rehousing clients may only be paid for a maximum of 12 months over an 18 month period.
8. Standards for determining how long participants can be engaged in the program including maximum length of stay.

Description of Continuum of Care

STEHP providers are required to demonstrate how their projects fit into existing community and homeless systems without duplicating services. It is the goal of NYS that the homeless service providers use a centralized intake system in their communities to provide services for families and individuals who are homeless or at risk of becoming homeless. Many communities have developed centralized intake and assessment systems. They will continue to use those systems to carry out the STEHP program. Some communities only centralized their intake forms, while other areas developed a county wide panel that determine eligibility and program guidelines. NYS plans to work with communities who do not have a centralized system to encourage them to coordinate their efforts so that groups can avoid duplication of services, make program application simple and efficient, and maximize the use of limited resources.

Process for Making Sub-awards

NYS uses the Request for Proposals method to make sub-awards as described in the overview section. Non-entitled areas are prioritized. Current awards from 2013 will continue in 2014.

Performance Standards

In addition to the standards described above and those set by local Continuums of Care, NYS requires certification from grantees to attest to their active participation in the local HMIS. HMIS records are reviewed during monitoring visits. Furthermore, NYS is currently in the process of developing a Data Warehouse to collect state-wide data from local Continuums of Care. The first set of data should be collected in the Warehouse by the beginning of 2014.

Consultation with Continuums of Care

NYS OTDA is the primary State agency that coordinates services to homeless households and those at-risk of homelessness. Under ESG, OTDA will require each sub grantee to consult with their local Continuum of Care regarding the ESG funded programs. In order to be considered for and to continue to receive funding, each sub grantee needs to demonstrate coordination with the local social services district and the Continuum of Care or other relevant planning committee. Sub grantees are required to submit a certification from their local Continuum of Care that demonstrates coordination and support for the project. The certification ensures that the grantee is working with the local Continuum to allocate funds and develop local performance standards.

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 2013 Request for Proposals (RFP), the New York State Office of Temporary and Disability Assistance (OTDA) expects 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. It is estimated that in the 2014 program year 650 individuals and approximately 400 households will be assisted 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 48)

Key Indicator: Number of individuals with HIV/AIDS and their families who have received assistance from programs with HOPWA funding. It is estimated that 650 individuals will be assisted.

Objective: **Decent Housing**

To provide decent housing 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 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

320 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 80 households will be assisted.

HUD Table 3C (Optional)			
Annual Action Plan 2014 HOPWA Program Planned Project Results			
Objective-Outcome Category	Performance Indicator	Expected Number	Activity Description
SL-1	Total Individuals Served	650	Supportive Service
DH-2	Total Households Assisted	320	Tenant-Based Rental Assistance Congregate Housing
DH-2	Total Households Assisted	80	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 2014 Action Plan, approximately \$1,977,135 will be used to support activities under Round Twenty-Two of this program. After deducting the State’s 3% administrative share, approximately \$1,917,820 will be allocated to contracts. Unexpended funds from previous rounds may also be allocated.

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)
- Solutions to End Homelessness Program (STEHP)
- New York State Supportive Housing Program (NYSSHP)
- Shelter Plus Care Program

- Emergency Shelter Allowance for Persons with AIDS
- Family Shelter Program
- Negotiated Rates Program

Two 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. Since 1990, HHAP appropriation language has set aside \$5 million for the development of housing for people living with HIV/AIDS. In total, HHAP has awarded over \$117 million for the development of 1,827 units of housing for families and individuals living with HIV-related illness and/or AIDS. In addition, during SFY 2012-13, HHAC received an allocation of \$14,365,000 from the Medicaid Redesign Team (MRT) initiative from NYS Governor Andrew Cuomo to develop permanent supported housing for homeless individuals who are high-cost Medicaid users.

The second State-funded AIDS housing program is OSAH. Beginning in 1994, the State budget has appropriated nearly \$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 2014 round (Round Twenty-Two) of HOPWA, New York State will continue with priorities and fund applications proposing a number of different activities.

In the 2013 RFP, the State expects to focus on eight eligible activities grouped into two 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:**
 - Tenant-based rental assistance
 - Support Service Case Management/ Housing Case Management (with HOPWA housing)
 - Short-term rent, utilities, or mortgage payments to prevent homelessness
 - Permanent Housing Placement

- **Group II Program Activities:**
 - Support Service Case Management/Housing Case Management (without HOPWA housing)
 - Housing information services (including counseling, referrals, etc.)
 - Facility Based Housing Assistance
 - Resource Identification

The above priorities are expected to be used in selecting Round Twenty-Two contracts for 2014, and should remain in effect in 2015-18. Historically, 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. At the end of the multi-year contract OTDA issues a Request for Proposals (RFP) under the HOPWA Program soliciting proposals from not-for-profit organizations. Generally an RFP is released every three to five years. Contracts funded under an RFP can then be renewed without further competition in each of the subsequent years after initial award. OTDA expects to release an RFP for multi-year contracts to start in 2014.

An RFP to make available FY 2013 HOPWA (Round Twenty-Two) funds is expected to be released by OTDA in July 2013. Awards will be made to successful applicants with contracts to be executed for start in January 2014.

With the exception of the contractors who will receive funding directly from their new Eligible Metropolitan Services Area (EMSA), contracts awarded under the 2013 RFP will be eligible for continued funding without competition for a five year period from January 1, 2014 through December 31, 2018. 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.

OTDA estimates that a total of 400 households will be assisted across 41 counties with HOPWA funds during 2014 as follows:

Tenant-based Rental Assistance/Congregate Housing	320
Short-term Rental Assistance	80
<hr/>	
TOTAL:	400

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 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 next program year, funding will not be 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, unless it could be shown that a conflict of interest prevented an organization from applying for direct entitlement funds. In 2013, the City of Syracuse came online as a HOPWA direct entitlement area and a total of \$279,037 was allocated to Syracuse. The City of Syracuse has decided to forgo administering these funds and will continue to have New York State OTDA administer their HOPWA allocation. A Memo of Understanding between the City of Syracuse and HUD has been drafted to formalize this agreement.

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 calendar weeks after the end of each quarter).
- Review of final reports (due thirty 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 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. Monitoring visits for all housing services programs (including both HOPWA and STEHP(ESG)) administered by the Bureau of Housing and Support 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.

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.

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(d), including the elderly and frail elderly, persons with disabilities, and persons with alcohol or other drug addiction.

Overview

New York State has a broad array of programs and initiatives to serve individuals with special needs, including the elderly and frail elderly, persons with disabilities, 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 2014 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.

New York State Homes and Community Renewal (HCR) is one of ten 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. HCR participates on the Adult Issues Committee, which includes issues related to housing for adults with disabilities.

NYHousingSearch.gov

NYHousingSearch.gov is a public service provided by New York State Homes and Community Renewal (HCR).

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, 9am-8pm Eastern Time.

The fast, easy-to-use 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.

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% 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.

Residential Emergency Services to Offer (Home) Repairs to the Elderly (RESTORE)

Residential Emergency Services to Offer (Home) Repairs to the Elderly (RESTORE) Program funds may be used to pay for the cost of emergency repairs to eliminate hazardous conditions in homes owned by the elderly when the homeowners cannot afford to make the repairs in a timely fashion. Project selection shall take into consideration the recommendation of the relevant regional economic development council or the Commissioner's determination that the proposed project aligns with the regional strategic priorities of the respective region.

In response to a publicly-issued Notice of Funding Availability, not-for-profit corporations and municipalities submit program designs detailing how they would administer local RESTORE programs. The program designs provide detail on selection of eligible recipients, construction monitoring, and ensuring compliance with program requirements. Eligible applicants are permitted to design programs as grants, loans, or both. Eligible program administrator applicants are not-for-profit corporations and municipalities. All areas of the State are eligible. To be eligible for assistance, homeowners must be 60 years of age or older and have a household income that does not exceed 80 percent of the area median income.

Most Integrated Setting Coordinating Council (MISCC)

Chapter 551 of the Laws of 2002 created the Most Integrated Setting Coordinating Council (MISCC). The MISCC statute calls for the "development and implementation of a plan to reasonably accommodate the desire of people of all ages with disabilities to avoid institutionalization and be appropriately placed in the most integrated setting possible." In 2010 MISCC submitted the MISCC Plan covering the two-year period of 2010-2012 (in some instances the plan extends to a slightly longer period). The MISCC Plan identifies baseline data and creates measurable agency specific housing, employment, transportation and long-term care goals that will assist New Yorkers with disabilities to live in the most integrated settings. This plan may be modified based upon the enacted budgets.

Currently chaired by the Commissioner of the Office for Persons with Developmental Disabilities (OPWDD), 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 for Persons With Developmental Disabilities, Education Department, Office of Alcoholism and Substance Abuse Services, Homes 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 consumers of services for individuals with disabilities, three individuals with expertise in the field of community services for people of all ages with disabilities, and three individuals with expertise in or recipients of services available to senior citizens with disabilities.

Medicaid Redesign Team Affordable Housing Workgroup

As part of the Medicaid Redesign Team's final recommendations, an Affordable Housing Workgroup was created in 2011. HCR and DOH serve as the workgroup's co-chairs. Members include New York City agencies, private and non-profit housing and service organizations. State agencies serve as ex-officio members. This mission of the Workgroup charges it to:

- Evaluate New York's current programs of supportive housing in reference to the reasonable availability and adequacy of those programs for the purpose of assuring that individuals unable to live independently are neither inappropriately institutionalized nor denied the availability of necessary care and services. Supportive housing will be broadly defined as any combination of market rate or subsidized housing and services that will meet the needs of the targeted populations.
- Identify barriers to the efficient use of available resources for the development and utilization of supportive housing. It shall make recommendations intended to overcome those barriers, including, if appropriate, revisions of program design proscribed by statute or regulation and the reassignment of responsibilities and resources for supportive housing development and oversight.
- Identify opportunities for the investment of additional resources for supportive housing that will result in savings to the Medicaid program and improvements in the quality of services to targeted individuals. It shall identify opportunities and make recommendations for enhancing private sector participation in the provision of such housing.
- Be mindful of the rights of individuals conferred upon them by the Olmstead Decision and applicable federal and State law. It also shall be mindful of the resource limitations that affect State and local decision-making.
- Create opportunities for stakeholders to contribute ideas and information and it will consult with New York City and other local governments and authorities actively engaged in the provision of housing.

In Action year 2014, the Workgroup will continue to try and meet its goals.

Olmstead Plan Development and Implementation Cabinet

The United States Supreme Court held in *Olmstead v. L.C.*, 527 U.S. 581 (1999), that Title II of the Americans with Disabilities Act prohibits the unjustified segregation of people with disabilities and requires states to provide people with disabilities with necessary support and services in the most integrated setting appropriate to their needs.

The NYS Olmstead Plan Development and Implementation Cabinet (the "Cabinet") was created by Executive Order in 2012 and charged to make recommendations to the Governor concerning the development, implementation and coordination of an Olmstead Plan (the "Plan") for the State of New York. The Cabinet was also charged with consulting with the Most Integrated Setting Coordinating Council and other relevant entities and stakeholders concerned with development and implementation of the Olmstead Plan.

The Cabinet is comprised of the Governor's Deputy Secretary for Health/Director of Healthcare Redesign; the Counsel to the Governor; the Director of the Budget; the Commissioner of Developmental Disabilities; the Commissioner of Health; the Commissioner of Labor; the Commissioner of Transportation; the Commissioner of Mental Health; the Commissioner of Alcoholism and Substance Abuse Services; the Commissioner of Children and Family Services; the

Commissioner of Homes and Community Renewal; the Commissioner of Temporary and Disability Assistance; the Director of the State Office for the Aging; and the Chair of the Commission on Quality of Care and Advocacy for Persons with Disabilities.

Throughout Action Year 2014, HCR will continue to participate as a member of the Cabinet towards the principle that people with disabilities should have access to community-based services, accessible housing with appropriate supports, and employment opportunities that enable them to live productive lives in their communities;

Nursing Home Transition and Diversion (NHTD) Waiver Housing Subsidy

The NHTD waiver is administered by the New York State 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 HCR 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 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 HCR 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 more than \$9 million to date.

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 administers 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 ESGP and HOPWA:

- **Homeless Housing and Assistance Program (HHAP)**
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.
- **New York State Supportive Housing Program (NYSSHP)**
The New York State Supportive Housing Program provides grants for the provision of direct services to permanent or transitional housing projects managed by eligible applicants. These funds support activities designed to promote greater independence and housing stability including, academic attainment, employability and/or mental/physical health stability. Eligible populations include single adults, young adults (18-25) and families that are in need of supportive services. The service provision for all populations are designed to assist residents in remaining stably housed so that they do not enter or re-enter the homeless services system.
- **Operational Support for AIDS Housing (OSAH)**
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**
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**
OASAS provides State monies to support Case Managers for each of the Shelter Plus Care programs operated by their voluntary agencies.

Section 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

Affordable housing as defined by the U.S. Department of Housing and Urban Development (HUD) is “housing available for rental or purchase to low-or moderate-income households in which the occupants pay no more than 30% of their income for total housing costs, including utilities.” Barriers that affect affordable housing include but are not limited to public statutes, building codes, growth limitations, fees and charges, regulations, ordinances, processes, policies and procedures that affect the return on residential investment. These limitations significantly restrict the development of affordable housing. HCR’s mission is to make New York State a better place to live by supporting community efforts to preserve and expand affordable rental housing, home ownership and economic opportunities, and by providing equal access to all New Yorkers in need of safe, decent and affordable housing.

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

- HCR promotes affordable fair housing by requiring its awardees of capital program and tax credit funding to submit marketing plan for approval prior to construction finance closing to ensure that the marketing and ultimate rental of funded units are in compliance with applicable state, federal and local laws. Awardees are also required to utilize U.S. Census data to identify the least likely to apply (LLA) populations and to specify what type of marketing and outreach they will perform to assure that areas in which HCR developments are located are further integrated. In addition, awardees must indicate how they will reach the part of the population with special needs.
- HCR actively researches all laws applicable to the marketing plan to ensure that awardees are in compliance with local laws and to also ensure HCR’s guidelines are in compliance with federal and state laws. The marketing plan guidelines were most recently revised and updated in June 2013.
- HCR has an MOU with the NYS Division of Human Rights to alleviate barriers to fair housing, enforce all state human rights statutes and federal fair housing laws, and to conciliate in matters alleging housing discrimination. Local zoning ordinances and land use regulations impact on the number of available and affordable housing units throughout the state. Therefore, HCR provides additional scoring points for projects that have secured local approvals or have received zoning variances or special use permits from local jurisdictions for the proposed housing project.
- HCR will continue to provide incentives to fund projects that are affordable, safe and diverse. HCR will also continue to incentivize applications for housing projects that have been endorsed as priority projects by New York State’s Regional Economic Development Councils.
- HCR will continue to encourage the development of Special Needs housing in its programs by awarding extra points to applicants who seek funding for these types of units. In addition to awarding additional points for special needs projects that target 15% of units as special needs, HCR also provides additional funding and tax credit allocations for supportive housing projects. Moreover, HCR will continue to assist with financing project reserves for making physical modifications where necessary to accommodate tenants with special needs.
- HCR’s Housing Architecture and Engineering Unit will continue to review each project for compliance with all accessibility design requirements under the Fair Housing Act and New York State Building Codes. Also, environmental impacts are evaluated under the New York State Environmental Quality Review Act and the federal National Environmental Policy Act, where applicable.

- HCR will work with organizations that promote economic growth in New York State to assure sufficient and affordable housing for its citizens. This includes strategizing to increase development of affordable housing in neighborhoods with accessibility to employment, schools, recreation, shopping, and modes of transportation and energy conservation.
- HCR will continue to review compliance with Section 3 as a priority. An effective program increasing the utilization of Section 3 residents and businesses will help low-income households gain economic opportunities necessary to allow them to exercise choice in housing options.
- HCR will continue to meet its responsibilities pursuant to NYS Executive Law Article 15-A which requires the participation of Minority- and Women-Owned Business Enterprises (M/WBE) in state contracting opportunities to ensure equitable economic opportunities for minority groups and women.
- New York State leaders passed the expansion of rent regulations. These regulations will ensure that rental units will stay in the rent regulation system and remain available for hard working citizens of New York. The new regulations will remain in effect until 2015 and HCR will continue to ensure that such rent regulations are complied with by monitoring rental activities.
- In 2013, funding was approved for borrowing that allowed the transfer of a loan portfolio of 8,628 Mitchel-Lama housing units from New York's Empire State Development Corporation to HCR, preserving affordability of a critical supply of middle-income housing and making possible much needed improvements and upgrades to these buildings, many of which have been in the portfolio for nearly 40 years.
- HCR has established working groups with staff representatives from its legal, policy and fair housing units to review and implement guidance for our awardees on HUD's recently issued Final Rule on the Implementation of the Fair Housing Act's Discriminatory Effects Standard and to update HCR's policies that affirmatively further fair housing practices.
- HCR will continue to disseminate legislative changes information in order to educate the residents of New York State about how it affects their housing choices.

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 2014. The following is a brief description of some of the many other actions New York State will take to address specific issues identified in Section 91.320(f) of HUD’s regulation for Consolidated Planning.

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.
- NYS has long recognized the need to assist agricultural producers and farmworkers in financing the construction, replacement or rehabilitation of farmworker housing which meets applicable building and health codes. In fact, HCR has administered the Farmworker Housing Program which provides low cost loans to agricultural producers to construct or improve housing for both seasonal and year-round farm employees. Since the program’s inception in 1997, HCR has provided 249 loans statewide to agricultural producers (including fruit, vegetable and dairy operations) totaling \$14.7 million without a single default. The program’s success has been driven by the ongoing collaborative partnership between HCR, the NYS Health Department and the Farm Credit East lending institution, which originates and services these streamlined loans.
- **Foster and maintain affordable housing (including the coordination of Low-Income Housing Tax Credits (LIHC) with the development of affordable housing):**
 - New York State’s strategy will focus on combining the LIHC with available public subsidies from federal, State, and local sources. It is through this combination that most of the low-income rental housing developed by New York will attain financial feasibility and the necessary viability to assure completion and operation.
 - A predictable flow of LIHC accruing to New York will allow the State to continue to 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 years.
 - Virtually all of the projects receiving an allocation of LIHC from HCR will continue to have at least one other public subsidy as part of the project financing package.
 - HCR will continue to use the LIHC to leverage private investment in projects using HOME and/or HTFC monies.

- **Evaluate and reduce lead-based paint hazards:**

Lead exposure, most often caused by deteriorating lead-based paint in older housing, is a recognized environmental poison for children in New York State. An elevated blood lead level is associated with a range of serious health effects on children, including detrimental effects on cognitive and behavioral development with serious personal and social consequences that may persist throughout their lifetime. Early identification of children with lead exposure is key to reducing the likelihood of chronic health problems. There is increasing consensus that primary prevention strategies must be strengthened to achieve elimination of childhood lead poisoning in NYS. A “primary prevention” approach is used to reduce or eliminate lead exposures or risk factors before the onset of detectable diseases. Primary prevention includes measures to: a) prevent 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.

- NYS Department of Health (NYSDOH), in partnership with NYS HCR and other members (below) constitute the Governor’s Lead Poisoning Advisory Council. The Advisory Council provides recommendations to the state health department concerning development and implementation of plans, policies and services for the prevention and elimination of childhood lead poisoning, including the identification and management of children with lead poisoning, and strategies to detect and reduce lead hazards in the environment. Established by New York State Public Health Law, the Advisory Council consists of 15 representatives of the public appointed by the governor and representatives from the following NYS agencies: Department of Health; Department of Labor; Department of Environmental Conservation; NYS Homes and Community Renewal; Office of Children and Family Services; Office of Temporary and Disability Assistance; Department of State; and, the Department of Financial Services.
- Free training, such as *Lead Safe Work Practices* and *Lead Renovation, Repair and Painting* will continue to be required for contractors working on HCR-funded projects to meet U.S. EPA compliance.
- NYSDOH was awarded a federal Housing and Urban Development (HUD) - Healthy Home Technical Studies grant in fiscal year 2012 for a **Project Title: Measuring the Asthma-related Costs and Benefits of a large-scale, state-funded Healthy Homes Program to inform Medicaid policy for residents with asthma**. Funding is used to assess and articulate the costs and benefits of providing home-based environmental asthma interventions to pediatric and adult populations through the comprehensive healthy homes program called NYS Healthy Neighborhoods Program (HNP). HNP provides in-home assessments and interventions for environmental health and safety hazards, including asthma triggers, tobacco, indoor air quality, lead, fire safety, and other environmental conditions. HNP data will be used to assess the effectiveness of the healthy homes approach for residents with asthma. The study should generate evidence about costs and the effectiveness of home-based asthma interventions to inform policy development that would reimburse for these services through Medicaid. Medicaid reimbursement would increase access and sustainability of healthy housing services.
- The connection between housing and health is well-established. Homes provide shelter and security, but homes that are poorly constructed or maintained can have a significant impact on the health and safety of residents. While anyone can suffer from housing-related illness, risk factors associated with poor housing quality and increased risk of housing-related illness include age of housing, poverty, geographical location, age of residents and race/ethnicity. NYSDOH has encouraged promotion of the **‘Essentials for Healthy Homes Practitioner’** course through the Cornell University Cooperative Extension, in partnership with the National

Center for Healthy Housing Training Center. The training course offerings are available at: <http://www.nchh.org/Training/HealthyHomesTrainingCenter/TrainingCourses.aspx>. The NCHH developed the practitioner's course using a holistic approach that integrates the needs of people living in the home, the structure itself, and potential health hazards. This course is designed for professionals include environmental health staff, housing code inspectors, public health nurses, energy auditors, licensed home inspectors, lead risk assessors, health and housing advocates, property managers, pest management professionals, lead poisoning case managers, asthma case managers, and weatherization specialists. The course principle is to treat the house as a whole system, using the Seven Essentials of Healthy Housing as a framework. The dwelling should be kept:

- Dry
 - Clean
 - Ventilated
 - Pest-free
 - Safe
 - Contaminant-free
 - Maintained
- Lead-based paint mitigation will be required for all of HCR's oldest housing stock of public housing authorities through the use of NYS Public Housing Modernization funds
 - Adequately performed lead-safe interim controls and lead abatement during rehabilitation work will continue to be ensured.
 - 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 will continue to be promoted.
 - HCR has created a Lead Information Page on its Internet website at <http://nysdhcr.gov/general/Lead/>, which will be updated as needed.
- **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 for Persons With 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.
 - 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 Consolidated Plan 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:**
 - 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 members, including two 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.
 - HCR has 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 Oswego and Rockville Centre have recently been completed. Phase II of the rehabilitation of the Liberty Gardens project in Rome is nearing completion and funding for Phase III has been secured. The Auburn H.A. and its private sector partner have secured funding to restructure Brogan Apts.
 - 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.

Minority- and Women-Owned Business Program

The Office of Fair Housing and Equal Opportunity (OFHEO) is responsible for carrying out the mandates of Article 15-A of the Executive Law. This statute requires State agencies and public authorities to engage Minority and Women Business Enterprises (M/WBEs) in contracting opportunities. While HCR does not construct the developments it funds, contracting opportunities generated as a result of the agency’s funding must be made available to M/WBEs. Therefore, awardees are held accountable for the utilization of M/WBEs.

Awardees of State development program funding are required to submit contract compliance reports to document their intended and actual utilization of M/WBEs for goods, services and construction related trades. All awardees are required to meet project-specific goals established by OFHEO for contracting with State-certified M/WBEs. Contract compliance records consistent with Article 15-A requirements are maintained by the OFHEO. This office is also required to report data quarterly to Empire State Development (ESD) concerning the goal attainment on its projects.

In efforts to increase M/WBE utilization in HCR funded projects statewide, HCR partners with the New York State Association for Affordable Housing (NYSAAFAH) to conduct regional M/WBE Speed Networking events to connect the development community with M/WBEs throughout the State. Additionally, OFHEO hosts open forums to provide information and assistance to M/WBEs on how to participate in opportunities generated by the agency.

Ongoing efforts of the M/WBE compliance program include:

- Establishing M/WBE utilization goals for each project.
- OFHEO working directly with program staff to aid in awardees' MWBE Contract Compliance.
- OFHEO attending pre-development meetings to provide technical assistance to the project development teams, thereby increasing MWBE participation on construction projects.
- Collecting for review and approval of a utilization plan reflecting intended M/WBE participation is required for each funded development prior to construction finance closing.
- Requiring the signing by the awardee, project general contractor and OFHEO of a Minority- and Women-Owned Business Utilization Agreement which imposes sanctions should the M/WBE goals not be reached.
- Referring to ESD firms indicated as M/WBEs in utilization plans but who are not documented as New York State certified.
- Monitoring of funded projects to ensure M/WBEs are being utilized as indicated in the submitted utilization plan.
- Providing technical assistance to awardees in identifying NYS certified M/WBEs when necessary.
- Providing training and workshops to program staff, awardees, contractors, etc.
- OFHEO participating on panels and attendance at conferences, workshops and other industry-related events to assist M/WBEs on how to do business within the HCR structure.
- Continuing to conduct open forums to connect M/WBEs to opportunities available through the agency.
- OFHEO participating on an advisory committee with NYSFAFH to assist in identifying ways to increase M/WBE membership and participation on affordable housing projects.
- Creation of a dedicated email address: OFHEO@nyshcr.org to provide direct assistance to the M/WBE community.
- Updating and streamlining all compliance forms to become more user-friendly and organizing them on the agency's website by program.
- Adding Agency Procurements link to the home page of the agency's website.
- Adding information on the agency's website to assist MWBEs in identifying opportunities with HCR with a link directly to Empire State Development's website for assistance in becoming a NYS certified M/WBE firm.

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 Consolidated Plan programs are described in the program-specific portions of the Action Plan section of this document.

NEW YORK STATE

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