



# DRAFT 2018 ANNUAL ACTION PLAN

Distributed for 30-Day Public Comment Period

09/06/2017-10/5/2017



# Executive Summary

## AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

### 1. Introduction

According to federal law and the regulations of the U.S. Department of Housing and Urban Development (HUD), states receiving federal funds for housing and community development must prepare a five-year Consolidated Plan which incorporates into a single document the planning and applications required for:

- CDBG-Community Development Block Grant Program;
- HOME-HOME Investment Partnership Program;
- ESG- Emergency Solutions Grants Program;
- HOPWA- Housing Opportunities for Persons with AIDS Program; and,
- HTF-Housing Trust Fund

The Consolidated Plan provides guidance for Annual Action Plans which are submitted annually during the five-year period. NYS Homes and Community Renewal (NYSHCR) is the lead entity for the compilation of the Consolidated Plan and Annual Action Plans. NYSHCR is the State's umbrella organization for consolidating and coordinating the activities of its component agencies including the NYS Division of Housing and Community Renewal (DHCR), the NYS Housing Trust Fund Corporation (SHTFC), the NYS Housing Finance Agency (HFA), the State of New York Mortgage Agency (SONYMA), and the NYS Affordable Housing Corporation (AHC).

The NYS Housing Trust Fund Corporation (SHTFC) administers the CDBG and HOME programs.

CDBG and HOME programs are allocated by formula to New York State to serve counties and localities which are not entitled to receive formula allocations of these funds directly from HUD. These non-entitlement counties and localities comprise the New York State Entitlement Jurisdiction (NYSEJ). The NYSEJ includes (i) 49 of the State's 62 counties, (ii) all the localities within the 49 counties except 22 localities which receive formula entitlements directly from HUD, and (iii) another 53 localities scattered throughout Suffolk, Nassau, Rockland, Dutchess and Orange counties.

The NYSEJ does not include New York City, Buffalo and Erie County, Rochester and Monroe County, Syracuse and Onondaga County, as well as 41 other local HUD-entitlement jurisdictions. All of these local HUD-entitlement jurisdictions are responsible for preparing their own Consolidated Plans and Annual Action Plans; and, with the exception of the needs of the extremely low-income households in the 13 counties where they are located, they are not discussed here.

The NYS Office of Temporary and Disability Assistance (OTDA) administers the HOPWA and ESG programs. ESG funding is combined with State funding to form the Solutions to End Homelessness Program (STEHP). The STEHP Program is administered in accordance with ESG federal regulations. ESG/STEHP and HOPWA funds are available statewide.

The Housing Trust Fund (HTF) became operational in April, 2016 with the announcement of state-by-state funding allocations by HUD. New York State is scheduled to receive \$14,790,240 in 2017. HTF funding will be available for projects on a statewide basis.

The New York State Housing Finance Agency (NYSHFA) has been designated to HUD as the agency responsible for the administration of HTF funding as well as for the inclusion of the HTF program in the Consolidated Plan and Annual Action Plans. NYSHFA is “responsible for distributing HTF funds throughout the State according to the State’s assessment of the priority housing needs within the State, as identified in the State’s approved Consolidated Plan.”

The Consolidated Plan must be prepared every five years and it must be updated annually through Annual Action Plans. Their purposes include:

- Assessing the State’s affordable housing and community development needs;
- Analyzing the State’s housing markets;
- Articulating the State’s priorities, goals, and strategies to address identified needs; and
- Describing the actions the State will take to implement strategies for affordable housing and community development.

New York State’s Consolidated Plan Federal Fiscal Years 2016-2020 provides new information and trends related to the State’s and the NYSEJ’s current and future affordable housing and community development needs. This information has been used to establish priorities, strategies and actions the State will take to address these needs during the next five years.

These priorities, strategies and actions are evaluated annually in updates to the Consolidated Plan.

In calendar year 2018, New York State’s:

- **CDBG – Community Development Block Grant Program**

The CDBG Program will use 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 housing units; assist first-time homebuyers; complete public infrastructure projects; complete public facilities projects; create or retain permanent, full-time equivalent jobs; and assist businesses.

- **HOME – HOME Investment Partnerships Program**  
The HOME Program will use funds for a variety of activities across the State to expand the supply of decent, safe, and affordable housing for low income families. The Program will offer homebuyers, homeowners, and renters the opportunity to rehabilitate, newly construct, purchase or rent single or multi-family housing.
- **ESG – Emergency Solutions Grants Program**  
The ESG Program will use combined ESG and State funds to increase the availability/accessibility of suitable living environments and decent housing by providing a wide range of supportive services to serve unique individuals.
- **HOPWA – Housing Opportunities for Persons with AIDS Program**  
The HOPWA Program will use funds to increase the availability/accessibility and affordability of suitable living environments and decent housing by assisting households with rental assistance or congregate housing.
- **HTF- Housing Trust Fund**  
The HTF will use available funds to provide capital subsidies and/or operating assistance for to make new rental apartments affordable to extremely low-income households.

An evaluation of actual performance in 2018 will be the subject of the Performance Report for 2018, which will be filed with HUD on March 31, 2019.

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.

## **2. Summarize the objectives and outcomes identified in the Plan**

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

New York State’s Consolidated Plan sections for CDBG and HOME highlight the public infrastructure, community development, and affordable housing needs in the smaller cities, towns, villages, suburbs and rural areas that make up the NYSEJ. The Plan’s sections for ESG, HOPWA and HTF address needs and activities statewide.

Based on the analysis of the State’s housing needs, market and inventory conditions, and non- housing community development needs, as well as input from numerous stakeholders, New York State developed a Strategic Plan that delineates the State’s priorities for assisting extremely low- and low-income households.

Statewide, cost burden is the state’s most common housing problem by a wide margin. 79% of extremely low-income households with incomes between 0-30% of AMI and 74% of very low- income

households with incomes between 31-50% of AMI are cost-burdened compared to 49% of those with incomes between 51-80% of AMI.

In short, 966,000 (79%) of the state's 1.22 million extremely low-income (ELI) households are simply or severely cost-burdened. And, they face an estimated statewide shortage of 595,900 affordable and available housing units.

It is the prevalence of financial cost burdens in conjunction with the shortage of affordable units which puts these extremely low-income households at continuous risk of homelessness.

The proposed objectives and goals of the Plan in general, which focus on the resources and opportunities created by the CDBG, HOME, ESG, HOPWA and HTF programs, follow.

**GOAL: AFFORDABLE RENTAL & OWNERSHIP HOUSING.** Create and preserve decent homes and a suitable living environment for extremely-low, low-, and moderate-income New Yorkers.

**Objective:** Improve availability and accessibility by preserving existing affordable housing and building new and affordable workforce, senior and homeownership housing.

**Objective:** Improve affordability by providing homeownership and rental assistance.

**GOAL: HOMELESS AND SPECIAL NEEDS.** Address the shelter, housing and service needs of the homeless, those at risk of homelessness, and others with special needs.

**Objective:** Improve affordability, accessibility and sustainability by maintaining and expanding the Continuum of Care, expanding services to prevent homelessness, maintaining and expanding resources for those with special needs, and building new affordable rental units for extremely low-income households.

**GOAL: NON-HOUSING COMMUNITY DEVELOPMENT.** Create economic opportunities and suitable living environments for low- and moderate-income New Yorkers.

**Objective:** Provide communities with assistance to undertake economic development initiatives.

**Objective:** Provide assistance to undertake community infrastructure, facility and service (public facilities) projects affecting public health, safety and welfare.

### **3. Evaluation of past performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

As compiled from the annual CAPERS, in the four program years 2011 through 2014, the State awarded a total of \$309.3 million in formula funds statewide. CDBG awards accounted for \$178 million (58%) of the total; HOME awards, for \$80.7 million (26%); ESG/STHP awards, for \$42.5 million (14%); and, HOPWA awards, for \$8.1 million (3%). Projects or programs receiving the awards were located in 61 of the State's 62 counties. On average, total receipts within a county averaged \$5 million during the four-year period. At the high end, there were 5 counties with projects receiving from \$10.3 to \$12.6 million in awards. At the low end, there were 6 counties with projects receiving less than \$1 million.

With respect to the new HTF program, NYSHFA directs and coordinates the affordable housing financing activities of the State and its sister agencies at New York State Homes & Community Renewal (NYSHCR). Statewide, from State Fiscal Years 2011 through 2015, NYSHCR awarded \$18.2 billion in financing and funding for the construction and rehabilitation of 48,001 housing units in 355 developments located in all ten of the state's regions. Of these 48,001 units, 35,506 (74%) are affordable to households with incomes at or below 60% of AMI, including 2,280 units (5%) which are affordable to extremely low-income households with incomes at 30% of AMI. Of the 35,506 affordable units, 18,345 (52%) units were new construction, and 17,161 units (48%) were preservation units. Some of the permanent financing sources for the \$18.2 billion total development cost include: (1) \$3.54 billion from private-sector investors receiving federal and state low-income housing tax credits, (2) \$8.1 billion from private-sector purchasers of HFA bonds that fund first mortgage loans to projects, and (3) \$898 million in State tax credits and program grants. In the last two of these fiscal years, the average annual number of awards was double the annual average in the preceding three years.

#### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

In accordance with 24 CFR Section 91.115, New York State has prepared and submitted, and HUD has approved, a Citizen Participation Plan (CPP). This extensive plan establishes a process which encourages participation by minorities, low- and moderate-income persons, persons with disabilities and other interested residents of New York State in the development of the State's Consolidated Plan.

#### **5. Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

#### **6. Summary of comments or views not accepted and the reasons for not accepting them**

#### **7. Summary**

To summarize the Plan's findings in the NYSEJ communities:

- 518,400 (32%) of the NYSEJ's 1.63 million households have one or more housing problems. 478,200 (29%) of NYSEJ households are cost-burdened or severely cost-burdened by their housing. Nine out of 10 households with a housing problem cite their cost-burden. Only 2% reported a problem with incomplete kitchen/plumbing facilities and/or overcrowding.
- As household income decreases, the likelihood of having a housing problem increases dramatically. Renters, households with incomes below 80% of area median, and Asian, Black/African American, Hispanic and Native Hawaiian/Pacific Islander householders have disproportionate rates of housing problems.
- 421,600 (26%) of NYSEJ households are single-person households. 60% of them are homeowners, and they own 22% of the 1.16 million owner-occupied units in the NYSEJ. 176,200 (42%) of the single-person householders are 65 years or older. 232,400 (55%) of the single-person households are dependent on non-wage related sources of income for their livelihood.
- Numerous communities in the NYSEJ struggle with deteriorating public infrastructure. An estimated 10% of all requests for CDBG assistance are likely to be for public facilities.

To summarize the Plan's findings regarding statewide housing needs:

- Statewide, cost burden is the most common housing problem by a wide margin. Among low-income households, the rate of cost burden exceeds the rate of incomplete facilities by a multiplier of 42.
- And, the incidence of cost burden decreases dramatically as incomes increase. 79% of extremely low-income (ELI) households with incomes between 0% to 30% of AMI and 74% of very low income households with incomes between 31% to 50% of AMI are cost-burdened. By comparison, 49% of low-income households with incomes between 51% to 80% of AMI are cost-burdened.
- 966,000 of the state's 1.22 million ELI households are cost-burdened. That's eight out of ten. 804,000 of them are severely cost-burdened. These 966,000 ELI households account for 34 percent of the state's 2.86 million cost-burdened households even though all 1.22 million ELI households comprise only 17 percent of the state's 7.23 million households.
- The 966,000 cost-burdened, ELI households – 745,350 renters and 221,155 owners – face an estimated shortage of 595,900 affordable and available units (including 374,771 rentals and 221,155 owner units), putting them at continuous risk of homelessness.
- Cost-burdened, ELI households living in New York City and eight other counties that are not among the NYSEJ's 49 counties face an estimated shortage of 523,665 affordable and available units (including 374,771 for renters).
- Cost-burdened, ELI households living in the NYSEJ's 49 counties face an estimated shortage of 72,261 affordable and available units (including 65,435 for owners).

**Summary Continued**

Summary of OTDA findings from data and experience in New York City and across the state:

- 10-15% of the households who are at-risk for homelessness identify themselves as being a special population and cite severe mental illness, victim of domestic violence or “other disability” as the primary reason.
- 40% of those assisted by the rapid rehousing program reported themselves as being in a special population. A majority reported severe mental illness, “other disability,” chronic substance abuse, and domestic violence as the primary reason.
- Over 59,000 individuals are at-risk of being homeless each year.
- In rural and suburban communities, the social stigma attached to homelessness often dissuades “hidden” homeless persons from soliciting support services.
- In 2012, approximately 28,000 New York State residents with HIV/AIDS lived outside of New York City; and 47% of those living with HIV/AIDS were 40 years old or older.

To meet the needs of these New Yorkers, the State seeks to:

- Create new opportunities for affordable home ownership and rental housing.
- Use the HTF funding allocation to subsidize rental units targeted for ELI households.
- Improve the quality, accessibility and availability of existing homes and apartments.
- Address the shelter, housing and service needs of the homeless, those at risk of homelessness, and others with special needs.
- Maintain and expand the Continuum of Care.
- Assist communities with infrastructure and public facilities projects affecting public health and safety, environmental improvement and economic development.

Each year, New York State will employ a range of federal, state, local and private sector resources to address the housing and community development needs and objectives that have been identified in the Consolidated Plan. The following is a list (not necessarily exhaustive) of programs and agencies that New York State will use.

- HOME
- CDBG
- ESG
- HOPWA
- Housing Trust Fund (HTF)
- Low-Income Housing Credit Programs [DHCR and Housing Finance Agency (HFA)]
- NYS Low-Income Housing Tax Credit Program
- NYS Housing Trust Fund Program
- Rural and Urban Community Investment Fund
- Medicaid Redesign Team (Capital Funds)
- Homeless Housing Assistance Program (HHAP)



- Empire State Supportive Housing Initiative (ESSHI)
- Housing Choice Vouchers
- Weatherization Assistance Program
- HUD Housing Counseling
- National Foreclosure Mitigation Counseling
- NYS Affordable Housing Corporation
- State of New York Mortgage Agency
- Program income retained by awardees
- Other HUD Community Planning and Development programs.

**PR-05 Lead & Responsible Agencies - 91.300(b)**

**1. Agency/entity responsible for preparing/administering the Consolidated Plan**

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role		Name	Department/Agency
CDBG Administrator	NEW YORK	Housing Trust Fund Corporation	
HOPWA Administrator	NEW YORK	Office of Temporary and Disability Assistance	
HOME Administrator	NEW YORK	Housing Trust Fund Corporation	
ESG Administrator	NEW YORK	Office of Temporary and Disability Assistance	

**Table 1 – Responsible Agencies**

**Narrative**

In accordance with 24 CFR Section 91.300(b), New York State Division of Housing and Community Renewal (DHCR) has been designated as the lead agency in developing and submitting the State’s Consolidated Plan, Annual Action Plans and Consolidated Annual Performance and Evaluation Reports (CAPER) to HUD. The DHCR Commissioner serves as the Chairperson of New York State’s National Affordable Housing Act (NAHA) Task Force, tasked with leading State agencies, public authorities, public benefit corporations, community-based organizations, statewide advocacy groups, trade organizations, housing providers and interested citizens in the development of the State’s Consolidated Plan for 2016 – 2020.

**Consolidated Plan Public Contact Information**

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## **AP-10 Consultation - 91.110, 91.300(b); 91.315(l)**

### **1. Introduction:**

New York State, in preparing its Annual Action Plan for 2018, has addressed the following general requirements specified in 24 CFR Sections 91.110, 91.300(b) and 91.315(l) of HUD's regulations for consolidated planning regarding consultation and coordination.

### **Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies:**

In its 1999 *Olmstead v. L.C.* decision, the U.S. Supreme Court ruled that states, in accordance with the Americans with Disabilities Act (ADA), have an obligation to provide services to individuals with disabilities in the most integrated setting appropriate to their needs. Governor Andrew M. Cuomo has made serving individuals with disabilities in the most integrated setting a top priority. New York State has developed a comprehensive *Olmstead* Implementation Plan that will address integrated housing, employment, transportation, community services and other important issues. New York's *Olmstead* Implementation Plan affirms the state's position as a national leader on disability rights. This plan was created through an *Olmstead* Cabinet comprised of 12 State agencies including Homes and Community Renewal, the Office for People with Developmental Disabilities, the Office of Mental Health and other key State agencies. The *Olmstead* Cabinet, in collaboration with state agencies and stakeholders, sought to identify strategies to assist people with disabilities to transition from segregated settings to community-based settings. The *Olmstead* Cabinet examined the methods by which the state agencies providing services to people with disabilities understand the needs and choices of the people they serve and how those agencies measure whether those needs and choices are being met in the most integrated setting.

### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness:**

Through the ESG-funded Solutions to End Homelessness Program (STEHP) application process, not-for-profit applicants demonstrate the need in their communities for services for people who are experiencing homelessness or who are risk of homelessness. Using data from their Continuum of Care (CoC), not-for-profits present a picture of the current system of homelessness in their community and the gaps STEHP funding could fill to best assist those most in need in their communities. In addition, applicants are required to explain how they include people who are homeless in their agency and program planning.

The Office of Temporary and Disability Assistance (OTDA) works closely with CoCs as needed to support their efforts in the community and to ensure the needs of those most vulnerable in the community are being met. OTDA has and will continue to act as liaison between CoCs and the local social service district which is often the first stop for someone experiencing homelessness. OTDA periodically sponsors in-person meetings and networking between the different community members in an area to insure the local homeless system is working in a way to best serve those in need.

**Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS:**

Through its competitive Request for Proposals process (RFP), OTDA requires that applicants for the ESG funded Solutions to End Homelessness Program (STEHP) demonstrate their participation in their local Continuum of Care. Once awarded funds, STEHP grantees must coordinate with their local CoC to ensure the program they are operating compliments the service system in their community. OTDA continues to be a resource for those areas of the state which do not have a functioning CoC.

OTDA has also embarked on a statewide data warehouse project over the last several years. With the help of HUD technical assistance providers, OTDA has created the New York State Homeless Assistance Data Warehouse Environment (NYSHADE), utilizing the HUD universal data elements as the basis of its structure. Beginning with ESG (STEHP) data, OTDA is working with each CoC across NYS to receive an upload of data from its HMIS. While OTDA's initial goal with the project was to better understand the nature and scope of homelessness across NYS, the project will also serve to create more of a data driven approach to administering the ESG program, and other state programs aimed at addressing the needs of those experiencing or at risk of homelessness. In addition, the project will enable OTDA to provide input and feedback to CoCs about their systems and the data in their systems to ensure the data received is of the highest quality.

## **AP-15 Expected Resources – 91.320(c)(1,2)**

### **Introduction**

New York State will employ a range of federal, state, local and private sector resources to address the housing and community development needs and objectives that have been identified in this Strategic Plan (Consolidated Plan). The following is a list (not necessarily exhaustive) of programs and agencies that New York State will use.

- HOME
- CDBG
- Housing Trust Fund (HTF)
- ESG
- HOPWA
- Low-Income Housing Credit Programs [DHCR and Housing Finance Agency (HFA)]
- NYS Low-Income Housing Tax Credit Program
- Homeless Housing Assistance Program (HHAP)
- Empire State Supportive Housing Initiative (ESSHI)
- Rural and Urban Community Investment Fund
- Medicaid Redesign Team (Capital Funds)
- Housing Choice Vouchers
- Weatherization Assistance Program
- HUD Housing Counseling
- National Foreclosure Mitigation Counseling
- NYS Affordable Housing Corporation
- State of New York Mortgage Agency
- Program income retained by awardees

- Other HUD Community Planning and Development programs

**Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	45,000,000	0	0	45,000,000	90,000,000	For CDBG funded projects, other leveraged federal, state, or local funds are key components to successful project completion and meeting proposed accomplishments. Homeownership projects, for example, require private financing from low/mod households. Larger public infrastructure/facilities projects that have all funds committed will be rated more favorably than those that are less prepared.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Single-family Homeowner Housing Rehabilitation, Manufactured Housing Replacement, Homebuyer Purchase Assistance, Homebuyer Development Projects, Rental Rehabilitation, Tenant Based Rental Assistance and Multi-family Rental Development	18,000,000	1,000,000	0	19,000,000	19,173,071	HOME awards will leverage federal and non-federal funding sources so that the minimal amount necessary for project and program viability will be invested.



Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	2,816,533	0	0	2,816,533	8,449,599	Permanent housing in facilities, Permanent housing placement, Short term or transitional housing facilities STRMU, Supportive services, TBRA.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	6,077,718	0	0	6,077,718	0	ESG/STEHP funds are used for shelter essential services and maintenance and operations, rapid rehousing, prevention activities.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - federal	Acquisition Admin and Planning Multifamily rental new construction Other	14,790,240	0	0	14,790,240	0	The HTF program provides loans to not- for-profit corporations or charitable organizations, a wholly-owned subsidiary of such corporations or organizations, or private for-profit developers seeking to develop projects that contain a component of residential units affordable to households with incomes at 30% or less of AMI, as adjusted for family size. Eligible HTF costs may include development acquisition, hard and related soft costs, operating cost assistance, and operating cost assistance reserves.HFA will restrict the use of HTF funds as a source of subsidy for the new construction of eligible multifamily rental projects that are financed by HFA tax-exempt bonds.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Acquisition Admin and Planning Economic Development Homeowner rehab Permanent housing placement Public Improvements Public Services Rental Assistance	4,516,882,000	0	0	4,516,882,000	0	On March 5, 2013, HUD published FR Notice 5696-N-01, which established the requirements for the first allocation where NYS was allocated \$1,713,960,000 (Grant # B-12-DT-36-0001) for storm recovery from Hurricane Irene, Tropical Storm Lee, and Superstorm Sandy. On November 23, 2013, HUD published FR Notice 5696-N-06 (second allocation) where NYS was allocated an additional\$2,097,000,000 for Superstorm Sandy recovery. On October 16, 2014, HUD published FR Notice 5696-N-11 (third allocation) where NYS was allocated a final\$416,882,000 (Grant # B-13-DS-36-0001) for Superstorm Sandy recovery. All funds must be expended by September 30, 2022.

Table 2 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied:**

### **HOME Program**

HOME programs and projects typically leverage bond financing, state and federal tax credits, state funded programs, other federal funded programs, private mortgages, public or private grants, municipal contributions and weatherization funds. Matching funds are derived from various sources, such as non-federal funds in a project and donated services, land, materials and labor.

### **Low-Income Housing Tax Credit Strategy**

The State's strategy will continue to focus on combining the LIHC with available public capital financing sources and/or rental/operating subsidies on the federal, state, and local levels. It is through the combination that most of the low-income rental housing developed by New York attains financial feasibility and viability. A predictable flow of LIHC allocated to New York has enabled the State to accurately forecast the amounts and types of government subsidies that can be leveraged through use of the LHC. This predictability also allows 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.

Pursuant to Executive Order 11 of 2011, the LIHC program in New York State functions under a multiple housing credit agency system. Tax credits allotted to New York State pursuant to a per capita allocation formula are administered by HTFC as lead housing credit agency for the State. The Executive Order authorizes HTFC to apportion the LIHC to designated State and local housing credit agencies who conduct their own housing programs. All housing credit agencies are required to administer their program, establish parameters and select projects according to a Qualified Allocation Plan (QAP), the rules and regulations which guide administration of the program.

Virtually all the projects receiving an allocation of LIHC from HTFC have at least one other public subsidy as part of the project financing package. In addition, HTFC uses the LIHC to leverage private equity investments in projects using HOME and or/ Housing Trust Fund monies. Depending on the credit equity pay-ins available in the private investment equity market, LIHC may reduce the need for HOME and/or Trust Fund monies in projects, and thereby allow HTFC to more efficiently finance and produce additional affordable housing over and above what would be realized the sole use of HOME and Housing Trust Fund dollars.

## **Housing Trust Fund (HTF)**

New York State is a national leader in the production and preservation of affordable housing. Statewide from State Fiscal Years 2011 through 2015, the State awarded \$18.2 billion in financing and funding for the construction and rehabilitation of 48,001 housing units, of which 35,506 are affordable, in 355 developments located in all 10 of the state's regions.

The New York State Housing Finance Agency (NYSHFA) is designated State entity which will be responsible for the allocation and administration of HTF funds in New York State. NYSHFA directs and coordinates the affordable housing financing activities of the State and its sister agencies at New York State Homes and Community Renewal (NYSHCR)

The HTF program scoring criteria will include the extent to which an application leverages non-federal funding sources. Projects seeking HTF funds are expected to leverage bond financing, State and federal tax credits, State and federal programs, private mortgages, and other private grants and financing.

Points will be awarded to HTF applications based on the amount of the leveraged non-federal funds in the project's budget.

**ESG Match** - \$10,000,000 in NYS General Funds; the ESG and NYS General funds are combined to create the Solutions to End Homelessness Program (STEHP). STEHP also requires each STEHP grantee to demonstrate a 25% match.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan:**

At the time of this writing there are no plans to use State-owned property to address the needs and objectives identified in the Consolidated Plan. It is quite possible competitive applications seeking HOME may include the use of locally-owned land or property in their housing development scenarios.

**Discussion:**

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	PF/PI OT Housing	2016	2020	Non-Housing Community Development	New York State EJ	Non-Housing Community Development Needs	CDBG: \$11,590,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 100000 Persons Assisted
2	PF/PI For Housing	2016	2020	Affordable Housing	New York State EJ	Non-Housing Community Development Needs	CDBG: \$610,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 100 Households Assisted
3	Rental Unit Rehab	2016	2020	Affordable Housing	New York State EJ	Rehabilitation of Existing Housing	CDBG: \$1,200,000	Rental units rehabilitated: 136 Household Housing Unit
4	Homeowner Rehab	2016	2020	Affordable Housing	New York State EJ	Rehabilitation of Existing Housing	CDBG: \$9,600,000	Homeowner Housing Rehabilitated: 544 Household Housing Unit
5	Homebuyers	2016	2020	Affordable Housing	New York State EJ	Acquisition of Existing Units Homebuyer Assistance	CDBG: \$1,200,000	Direct Financial Assistance to Homebuyers: 100 Households Assisted



Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Jobs	2016	2020	Non-Housing Community Development	New York State EJ	Non-Housing Community Development Needs	CDBG: \$15,000,000	Jobs created/retained: 700 Jobs
7	Businesses Assisted	2016	2020	Non-Housing Community Development	New York State EJ	Non-Housing Community Development Needs	CDBG: \$3,000,000	Businesses assisted: 30 Businesses Assisted
8	Imminent Threat	2016	2020	Non-Housing Community Development		Non-Housing Community Development Needs	CDBG: \$900,000	Other: 1 Other
9	Rehabilitation of Single Family Housing	2016	2021	Affordable Housing Non-Homeless Special Needs	New York State EJ	Rehabilitation of Existing Housing	HOME: \$4,962,020	Homeowner Housing Rehabilitated: 200 Household Housing Unit
10	Homebuyer Assistance	2016	2021	Affordable Housing Non-Homeless Special Needs	New York State EJ	Acquisition of Existing Units Homebuyer Assistance	HOME: \$1,393,262	Direct Financial Assistance to Homebuyers: 70 Households Assisted
11	Homebuyer Assistance with Rehabilitation	2016	2021	Affordable Housing Non-Homeless Special Needs	New York State EJ	Acquisition of Existing Units Homebuyer Assistance Rehabilitation of Existing Housing	HOME: \$1,393,626	Direct Financial Assistance to Homebuyers: 20 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
12	Households in Newly Constructed Buildings	2016	2021	Affordable Housing Non-Homeless Special Needs	New York State EJ	Affordable Rental Housing	HOME: \$1,393,626	Other: 29 Other
13	Households in Newly Created/rehabilitated Units	2016	2021	Affordable Housing	New York State EJ	Acquisition of Existing Units Homebuyer Assistance Affordable Rental Housing Rehabilitation of Existing Housing	HOME: \$6,251,539	Rental units rehabilitated: 132 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
14	Tenant Based Rental Assistance/ Rapid Rehousing	2016	2020	Homeless Non-Homeless Special Needs	New York State EJ	Affordable Rental Housing Chronic Homelessness Family Homelessness Homeless Individuals Homeless Mentally Ill Individuals Homeless Persons with HIV/AIDS Homeless Veterans Homeless Victims of Domestic Violence Homeless Youth Persons with HIV/AIDS Rural homelessness	HOPWA: \$1,291,194 HOME: \$234,436 ESG: \$3,387,239	Tenant-based rental assistance / Rapid Rehousing: 2400 Households Assisted Other: 15 Other

15	Recover and rebuild after Disasters	2016	2016	Affordable Housing Public Housing Non-Homeless Special Needs Non-Housing Community Development Private Housing	New York State EJ	Acquisition of Existing Units Homebuyer Assistance Affordable Rental Housing Create New Homeownership Opportunitites Non-Housing Community Development Needs Rehabilitation of Existing Housing	CDBG-DR: \$4,616,882,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12180949 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 1747 Households Assisted Public service activities other than Low/Moderate Income Housing Benefit: 12180949 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 1747 Households Assisted Facade treatment/business building rehabilitation: 215 Business Rental units constructed: 992 Household Housing Unit Rental units rehabilitated: 836 Household Housing Unit Homeowner Housing Rehabilitated: 1707 Household Housing Unit Jobs created/retained: 2100 Jobs
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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
								Businesses assisted: 1058 Businesses Assisted Buildings Demolished: 1124 Buildings
16	Persons Served in Overnight Shelter	2016	2020	Homeless		Chronic Homelessness Family Homelessness Homeless Individuals Homeless Mentally Ill Individuals Homeless Persons with HIV/AIDS Homeless Veterans Homeless Victims of Domestic Violence Homeless Youth Persons with HIV/AIDS Rural homelessness	ESG: \$3,497,712	Homeless Person Overnight Shelter: 13550 Persons Assisted
17	Homelessness Prevention	2016	2020	Persons at-risk of homelessness		Homelessness Prevention	HOPWA: \$157,306 ESG: \$8,472,126	Homelessness Prevention: 37080 Persons Assisted
18	Tenant-Based Rental Assistance	2016	2021	Affordable Housing	New York State EJ	Affordable Rental Housing	HOME: \$234,436	Other: 15 Other

**Table 3 – Goals Summary**

**Goal Descriptions**

<b>1</b>	<b>Goal Name</b>	PF/PI OT Housing
	<b>Goal Description</b>	The CDBG program will continue to support public facility and public infrastructure needs in non-entitlement communities by assisting with public water and sewer distribution and storage, and with other critical facilities, that benefit low and moderate income households.
<b>2</b>	<b>Goal Name</b>	PF/PI For Housing
	<b>Goal Description</b>	The CDBG program will provide support for public infrastructure needs where inadequate water and sewer facilities are a barrier to the creation or preservation of affordable housing units available to low and moderate income households.
<b>3</b>	<b>Goal Name</b>	Rental Unit Rehab
	<b>Goal Description</b>	The CDBG program will provide assistance to non-entitlement communities undertaking the preservation of affordable rental units that are made available to low and moderate income households.
<b>4</b>	<b>Goal Name</b>	Homeowner Rehab
	<b>Goal Description</b>	The CDBG program will continue to provide assistance to non-entitlement communities undertaking the rehabilitation of owner-occupied housing for low and moderate income households.
<b>5</b>	<b>Goal Name</b>	Homebuyers
	<b>Goal Description</b>	The CDBG program will continue to support non-entitlement communities undertaking activities to assist low and moderate income households to achieve homeownership.
<b>6</b>	<b>Goal Name</b>	Jobs
	<b>Goal Description</b>	The CDBG program will continue to support activities to create and make available, job opportunities for low and moderate income individuals.

7	<b>Goal Name</b>	Businesses Assisted
	<b>Goal Description</b>	The CDBG program will continue to provide assistance to for-profit business that create job opportunities for low and moderate income individuals.
8	<b>Goal Name</b>	Imminent Threat
	<b>Goal Description</b>	The CDBG program will continue to provide assistance to non-entitlement communities in cases of imminent threat or natural disaster, in order to protect lives and property.
9	<b>Goal Name</b>	Rehabilitation of Single Family Housing
	<b>Goal Description</b>	The HOME Program will provide assistance to low income homeowners to rehabilitate their homes to meet NYS and/or Local Code.
10	<b>Goal Name</b>	Homebuyer Assistance
	<b>Goal Description</b>	The HOME Program will provide down payment and closing cost assistance to help low income families purchase a home that is in compliance with NYS and/or Local Code.
11	<b>Goal Name</b>	Homebuyer Assistance with Rehabilitation
	<b>Goal Description</b>	The HOME Program will provide down payment, closing costs and housing rehabilitation assistance to purchase a home that will be in compliance with NYS and/or Local Code upon completion of housing rehabilitation.
12	<b>Goal Name</b>	Households in Newly Constructed Buildings
	<b>Goal Description</b>	The HOME Program will provide funds to newly construct homebuyer or rental housing for low income families that is in compliance with NYS and/or Local Code upon completion of construction.
13	<b>Goal Name</b>	Households in Newly Created/rehabilitated Units
	<b>Goal Description</b>	The HOME Program will provide funds to newly create or rehabilitate homebuyer or rental housing for low income families that is in compliance with NYS and/or Local Code upon completion of construction or housing rehabilitation.

14	<b>Goal Name</b>	Tenant Based Rental Assistance/ Rapid Rehousing
	<b>Goal Description</b>	The HOME Program will provide funds to subsidize monthly rents for low income tenants to rent units that are in compliance with Section 8 Housing Quality Standards.  STEHP provides subsidies toward monthly rents for homeless individuals and families under the Rapid Rehousing activity. HOPWA provides TBRA subsidies for those living with HIV/AIDS.
15	<b>Goal Name</b>	Recover and rebuild after Disasters
	<b>Goal Description</b>	The HOME Program will provide funds, as eligible under federal HOME regulation, to assist low income families to recover and rebuild residential housing after disasters.
16	<b>Goal Name</b>	Persons Served in Overnight Shelter
	<b>Goal Description</b>	<u>STEHP will provide funds to support operations in overnight shelter.</u>
17	<b>Goal Name</b>	Homelessness Prevention
	<b>Goal Description</b>	<u>STEHP will provide funds to assist persons at risk of homelessness with homelessness prevention services.</u>
18	<b>Goal Name</b>	Tenant-Based Rental Assistance
	<b>Goal Description</b>	



## **AP-25 Allocation Priorities – 91.320(d)**

### **Introduction:**

Eligible CDBG 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 2018 Program Year, New York State may provide opportunities for the primary categories of funding: housing; public infrastructure/facilities; public service; comprehensive; and economic development.

HOME regulations require that 15% of the State's annual HOME allocation be awarded to Community Housing Development Organization (CHDO) projects. The remaining funds must be awarded to programs and projects statewide, based on a demonstrated local market need for the HOME eligible activity proposed. HOME may award funds to non-profits for programs or projects in areas of other HOME Participating Jurisdictions (PJs), if a local market need is demonstrated for the HOME eligible activity and the PJ partners with or provides funds and/or resources to the program or project.

The highest funding priorities for HOPWA are tenant based rental assistance, and short term rental, mortgage and utility assistance. Support services and facility based housing assistance are also priorities for the NYS HOPWA program.

ESG funds are contained in the Solutions to End Homelessness Program (STEHP) administered by OTDA. OTDA sets aside roughly 50% of STEHP funds to serve homeless populations and 50% to serve those at risk of homelessness. In the current round of 73 contracts totaling \$15,811,858, 46% of funds are dedicated to serving homeless persons and 54% are dedicated to serving those at risk of homelessness.

**Funding Allocation Priorities:**

	Tenant-Based Rental Assistance/ Rapid Re-housing (%)	Persons Served in Overnight Shelter (%)	Homelessness Prevention (%)	PF/PI OT Housing (%)	PF/PI For Housing (%)	Rental Unit Rehab (%)	Homeowner Rehab (%)	Homebuyers (%)	Jobs (%)	Businesses Assisted (%)
<b>CDBG</b>	0	0	0	26	1	3	21	3	33	7
<b>HOME</b>	0	0	0	0	0	0	0	0	0	0
<b>HOPWA</b>	67	0	0	0	0	0	0	0	0	0
<b>ESG</b>	21	22	54	0	0	0	0	0	0	0
<b>HTF</b>	0	0	0	0	0	0	0	0	0	0

	Tenant-Based Rental Assistance (%)	Imminent Threat (%)	Rehabilitation of Single Family Housing (%)	Homebuyer Assistance (%)	Homebuyer Assistance with Rehabilitation (%)	Households in Newly Constructed Buildings (%)	Households in Newly Created/rehabilitated Units (%)	Total (%)
<b>CDBG</b>	0	2	0	0	0	0	0	96
<b>HOME</b>	0	0	0	0	0	0	15	15
<b>HOPWA</b>	0	0	0	0	0	0	0	67
<b>ESG</b>	0	0	0	0	0	0	0	97
<b>HTF</b>	0	0	0	0	0	0	90	90

**Table 8 – Funding Allocation  
Priorities**

### **Reason for Allocation Priorities**

Reason for Allocation Priorities

All funded activities must fulfill one of the CDBG National Objectives:

1. Provide a public benefit to low- and moderate-income persons;
2. Aid in the prevention or elimination of slums and blight, or
3. Meet other urgent community development needs such as imminent threats to the health and safety.

A minimum of seventy percent (70%) of the funds will be used to provide a benefit to low- and moderate-income persons. Allocation priorities as assigned in the above table represent first, the attempt by the NYS CDBG program to meet National Objective regulations by primarily serving low- and moderate- income communities, households, and individuals. Second, priorities are assigned largely based on demand and need as demonstrated throughout the year by annual competition and open round review of infrastructure, facility, housing, and economic development projects. The NYS CDBG program provides direct technical assistance and through an established application criteria, assist eligible non-entitlement communities with developing high-impact local initiatives that benefit high needs populations. In addition, Imminent Threat projects will be considered throughout the program year in communities affected by conditions resulting in immediate considerable threat to public health and safety.

As stated above, HOME regulations require that 15% of the State’s annual HOME allocation be awarded to Community Housing Development Organization (CHDO) projects. The remaining funds must be awarded to programs and projects statewide, based on a demonstrated local market need for the HOME eligible activity proposed.

One of the main goals of HOPWA is to make decent housing more affordable for those low-income households with HIV/AIDS. Providing rental assistance to those households provides the stabilization needed to remain healthy and therefore avoid homelessness or other unstable housing arrangements.

The goal of STEHP is to assist individuals and families to prevent the eviction process, remain in or obtain permanent housing, and/or assist them with supportive services during their experience of homelessness. OTDA supports comprehensive programs that are designed to assist individuals living on the street with outreach services; to help maintain and improve the quality of emergency and transitional shelters and drop-in centers for homeless individuals and families; to help meet the costs of operating such programs; to provide comprehensive supportive services aimed at housing stabilization; to provide rapid re-housing services by obtaining a permanent living situation; and to provide eviction prevention assistance to individuals and families. OTDA does not offer STEHP funds to acquire or rehabilitate property as NYS dedicates an entire program, the Homeless Housing Assistance Program (HHAP), to support those very activities. The state has committed resources to HHAP since the 1980s. In recent years, the HHAP budget has varied between 30 and 60 million dollars annually.

NYSHFA currently will focus the HTF Program exclusively on providing financing (capital subsidy, operating cost assistance, or operating cost assistance reserves for new construction to increase the supply of non-transitional rental units available for extremely low-income households.

**How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?:**

CDGB funds are allocated in response to local needs that are identified in Requests for Proposals (RFP), which are solicited throughout the year for all regularly funded program areas. With the award of CDBG funds, communities are able to address those conditions that led to the request of funds to the benefit of low- and moderate -income populations.

HOME awards funds based demonstrated local market need and the capacity of the awardee to carry out the State's approved HOME eligible activity. The residential housing needs of low income homeowners, homebuyers and renters statewide are documented in the Consolidated Plan. HOME has designed and approved eligible activities to be awarded HOME funds, based on these needs.

Thousands of housing units with supportive services are needed for persons living with HIV/AIDS. Most of this need can be met through the provision of rental assistance subsidies coupled with supportive services. For this reason, New York State allocates most of its Housing Opportunities for Persons with AIDS (HOPWA) funding to tenant-based rental assistance and supportive services.

The main ESG/STEHP goals in the Consolidated Plan are to serve those that are homeless in a safe shelter setting, provide tenant-based rental assistance through rapid re-housing programs in order to move homeless persons into permanent housing, and to prevent homelessness from occurring in the first place. 54% of available STEHP funds are being dedicated to preventing homelessness. STEHP estimates serving 37,000

persons in 2018 with homelessness prevention activities including payment of arrears, rental assistance and legal services. 46% of STEHP funds are being dedicated to engaging with homeless persons in order to secure permanent housing through street outreach programs which encourage those living on streets to enter shelters/housing projects and rapid rehousing programs, through shelters which can provide a short-term safe environment while searching for housing, through transitional housing which can provide supports for those in need of longer term engagement, and through rapid re-housing which can obtain permanent community-based housing for those in a homeless situation. STEHP prioritizes homeless-serving programs if they give priority to or can get priority for their participants in rapid re-housing programs. STEHP estimates serving 13,550 persons in street outreach, shelter and transitional housing programs in 2018 and 4,700 persons with rapid re-housing.

HTF funds will be distributed throughout the State according to the State's assessment of the priority housing needs within the State, as identified in the State's approved Consolidated Plan. No set-asides of funds for specific geographic areas are anticipated.

Except for up to 10 percent of the allocation for reasonable administrative expenses, HTF funds currently shall be used to provide capital subsidies, operating assistance, and/or operating assistance reserves for new, non-transitional rental housing units targeted to extremely low-income households.

## AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

### Distribution Methods

Table 4 - Distribution Methods by State Program

<b>1</b>	<b>State Program Name:</b>	HOME Capital Projects
	<b>Funding Sources:</b>	HOME
	<b>Describe the state program addressed by the Method of Distribution.</b>	The HOME Capital Program provides loans and grants to for-profit and non-profit developers (including CHDO's) for the acquisition, rehabilitation or construction of site specific multi-family rental housing projects. The loans of HOME funds typically carry a one percent interest rate and have terms which generally range from 30 to 50 years. Most loans to multi-family developments are used in conjunction with allocations of federal low-income housing tax credits and/or NYS low- income housing tax credits. Per HOME regulations, HCR sets aside a minimum of 15% of each FY allocation for use by locally based non-profit entities that qualify as community housing development organizations (CHDOs).
	<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	Most loans for multifamily development are made to projects which incorporate tax credits in their financing and operational scenarios. The criteria that govern the allocation of tax credits are contained in the HCR Qualified Allocation Plan. By extension, these criteria are largely used to select applications for multi-family rental development targeted to low and very-low income beneficiaries.

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	

	<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Resources are allocated based upon competitive score and geographic consideration.</p>
	<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Applicants for HOME funds must comply with threshold limits and grant size factors as stated in the HOME Notice of Funding Availability, HOME Program Requests for Proposals and HOME Program regulations as applicable to FY HOME funds to be awarded.</p>
	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>HCR will facilitate the preservation and development of affordable, multi-unit rental housing for low and very low-income households.</p>
<p><b>2</b></p>	<p><b>State Program Name:</b></p>	<p>HOME Local Program</p>
	<p><b>Funding Sources:</b></p>	<p>HOME</p>



<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>HOME funds are awarded to a network of Local Program Administrators (LPAs), defined as units of local government, non-profit corporations, for-profit corporations, public housing authorities and community housing development organizations (CHDOs). The LPAs administer the awarded HOME funds in their local communities and are awarded funds based on local market need for the activity to be performed. The LPAs distribute the HOME assistance in their local communities by selecting eligible low income homeowners, homebuyers and renters to receive funds to rehabilitate, newly construct, purchase or rent affordable housing. HOME Local awards 6 eligible activities for single-family housing: Homeowner Housing Rehabilitation, Manufactured Housing Replacement, Homebuyer Purchase Assistance, Homebuyer Development Projects, Rental Rehabilitation and Tenant Based Rental Assistance and also awards funds for Multi-Family Rental Development. Awards are based on competitive score and considerations for geographic distribution. The State may allow NYS HOME Local Program funded State recipients, Subrecipients and CHDOs to design eligible HOME program activities that may limit beneficiaries or give preferences to persons in certain occupations, such as police officers, firefighters, or teachers. Any limitation or preference must not violate nondiscrimination requirements in 24 CFR 92.350. Limiting programs or giving preferences to students or a group of all employees is not permitted. The preference or limitation must be approved by the State prior to program execution. The HOME Program may also award performance based initiatives, multi-year contracts and other Statewide specialty requests for proposals to commit and/or expend de-obligated and/or uncommitted HOME funds and program income.</p>
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>HCR announces the availability of HOME Program funds through the issuance of a Notice of Funding Availability (NOFA) and a Request for Proposals (RFP). The criterion used to select awardees for HOME funds may include but is not limited to: demonstrated need for the activity proposed in the service area, average income level served, persons with special needs targeted, percent below poverty level in the service area, number of persons below poverty in the service area, age of housing, leveraging, demonstrated staff capacity, homeownership rate in the service area, homeownership affordability index, tenant rent burden, tenant affordability index, experience and prior performance delivering HOME funded activities and the ability to complete the activities within the contract term.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	

<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>HCR does not pre-describe an apportionment of available HOME funds among the categories described above. HOME regulations require that 15% of the State’s annual HOME allocation be awarded to Community Housing Development Organization (CHDO) projects. The remaining funds must be awarded to programs and projects statewide, based on a demonstrated local market need for the HOME eligible activity proposed. HOME may award funds to non-profits for programs or projects in areas of other HOME Participating Jurisdictions (PJs), if a local market need is demonstrated for the HOME eligible activity and the PJ partners with or provides funds and/or resources to the program or project. The HOME Program may also award performance based initiatives, multi-year contracts and other Statewide specialty requests for proposals to commit and/or expend de-obligated and/or uncommitted HOME funds and program income. Resources are allocated based upon competitive score and geographic consideration.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Applicants for HOME funds must comply with threshold limits and grant size factors as stated in the HOME Local program Notice of Funding Availability (NOFA), HOME Local Program Request for Proposals (RFP) and federal and state regulations, which vary based on activity. Threshold factors may include but are not limited to: a demonstrated local market need for the HOME eligible activity proposed, serving only beneficiaries making less than 80% of Area Median Income, HOME assisted units must be permanent housing, will the HOME assisted units be owner or renter occupied at project completion and does the applicant have outstanding past performance, compliance, monitoring and/or audit issues with HCR.</p>

	<b>What are the outcome measures expected as a result of the method of distribution?</b>	The preservation of existing housing and the development of new construction housing that provides low income families a safe, decent, affordable and sustainable housing option.
<b>3</b>	<b>State Program Name:</b>	HOPWA
	<b>Funding Sources:</b>	HOPWA
	<b>Describe the state program addressed by the Method of Distribution.</b>	NYS HOPWA contracts with not-for-profit organizations or public housing agencies who provide housing and related support services to low-income persons with AIDS or HIV-related illnesses and their families.

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>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; and the appropriateness of the qualifications and backgrounds of the personnel and staff to be assigned to the project.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	

<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>OTDA subjects all proposals received in response to an RFP, including a HOPWA RFP, to a rigorous review and selection process.</p> <p>Awards are based on a demonstrated need and best value. Weight is given to the cost effectiveness of each proposal. OTDA staff reviews all proposals, assisted by such other State personnel as deemed appropriate. In addition to a staff review, OTDA reserves the right to conduct site visits and solicit the opinion of other sources of funding agents prior to making a funding decision.</p> <p>Proposals are rated based on the following criteria: completeness of the application; responsiveness of the application to the RFP; clarity of the expected results of the program and the potential for its achievement; applicant’s contractual performance history with OTDA if applicable; evidence that the applicant understands the support services needs of the individuals and/or families to be served, can identify the services needed to help individuals and/or families obtain their maximum degree of independence, and evidence that the applicant has the ability to provide such services successfully; demonstrated fiscal viability of the proposal and fiscal responsibility of the applicant; programmatic feasibility of the proposed program within the time outlined; and willingness of the applicant to adhere to all HUD guidelines and regulations regarding HOPWA.</p>

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>In general, resources are allocated among the funding categories as follows, 82% for housing assistance (TBRA, STRMU, PHP, FBHA), 14% for support services, 3% for sponsor administrative cost, and 2% for grantee administrative costs.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>So long as other viable proposals have been received, no one applicant is awarded more than 20% of the total available funds in response to the Request for Proposals (RFP).</p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Long-term comprehensive strategies for meeting the housing and social service needs of persons with AIDS and HIV-related illnesses and their families.</p>
<p><b>4 State Program Name:</b></p>	<p>Housing Trust Fund</p>
<p><b>Funding Sources:</b></p>	<p>Housing Trust Fund</p>

<b>Describe the state program addressed by the Method of Distribution.</b>	The HTF Program provides loans to not-for-profit corporations or charitable organizations, a wholly owned subsidiary of such corporations or organizations, or private for-profit developers seeking to develop projects that contain a component of residential units affordable to households with incomes at 30% or less of AMI, as adjusted for family size. Eligible HTF costs may include development acquisition, hard, and related soft costs, operating cost assistance, and operating cost assistance reserves. HFA will restrict the use of HTF funds as a source of subsidy for the new construction of eligible multifamily rental projects that are financed by HFA tax-exempt bonds.
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Applications will be based on the following criteria, with a maximum score of 100:</p> <p>Geographic Diversity - 5 points</p> <p>Readiness (the applicant's ability to obligate HTF funds based upon whether all of the necessary components for the financing and development of the project are identified and/or committed) - 15 points</p> <p>Developer Team Experience and Capability (the applicant's ability to undertake eligible activities in a timely manner based upon proven team member experience, capability, and capacity) - 15 points</p> <p>Project-Based Rental Assistance (the extent to which the project has Federal, State, or local project-based rental assistance so rents are affordable to extremely low-income families) - 5 points</p> <p>Duration of Affordability Period - 15 points</p> <p>Priority Housing Needs of the State (merits of the application in meeting the State's priority housing needs as identified in the Consolidated Plan and on the following page) - 20 points</p> <p>Leveraging (extent to which the application makes use of non-Federal funding sources) - 10 points</p> <p>Financial Feasibility and Efficiency (extent to which the project is financially feasible and cost effective) - 15 points</p> <p>The State will not limit beneficiaries and/or give preferences to any segments of the extremely low-income population. However, the State will permit rental housing owners that are eligible recipients of HTF funds to limit tenants or give a preference for housing for seniors age 55 and over, and supportive housing for persons who are homeless and non-homeless households that require supportive services, including but not limited to those with mental, physical, sensory, or developmental disabilities; persons with substance use disorders; and persons diagnosed with HIV/AIDS and related diseases.</p>
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<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	

	<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Resources will be allocated based upon specific project underwriting subject to HUD’s one-third limit on operating cost assistance and operating cost assistance reserves.</p>
	<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Award size limits vary by geography and bedroom size, and are detailed in the HTF Allocation Plan.</p>
	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>The creation of safe, decent and affordable rental housing for extremely low-income households.</p>
<p>5</p>	<p><b>State Program Name:</b></p>	<p>NYS Community Development Block Grant (CDBG)</p>
	<p><b>Funding Sources:</b></p>	

<b>Describe the state program addressed by the Method of Distribution.</b>	The CDBG Program will use approximately \$45 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.
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>The NYS CDBG Program uses three primary criteria to assess funding applications:</p> <p>Assessment Points - Within each category, individual projects will be assessed based on the extent to which they meet the category-specific assessment criteria. 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: a. Project/Program Need b. Feasibility c. Impact to the residents, specifically low- and moderate-income persons or households d. Appropriateness of the proposed activities as it relates to the need e. Extent to which the activity addresses the identified need f. Degree to which the project supports program and State initiatives g. Degree to which health, welfare, or safety issues are addressed h. Extent to which the activity has long-term affordability and viability i. Financial Impact in reducing the debt burden of the residents j. Reasonableness of project costs k. Administrative capacity l. Extent to which the project/activity supports regional plans and strategies m. Extent to which the Applicant has adequately demonstrated its commitment and steps that have been undertaken to affirmatively further fair housing</p> <p>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 strategies and priorities, NYS Rising Community Plans, 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.</p>
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<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>An application kit will be made available that 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. Detailed information on the calculation of points will be outlined in the applicable application kits for housing, public infrastructure and public facilities projects.</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	

<b>Describe how resources will be allocated among funding categories.</b>	For the 2018 Program Year, New York State may provide opportunities for the primary categories of funding: housing; public infrastructure/facilities; public service; comprehensive; and economic development. Applications will be rated against other projects of the same category according to the criteria established above, and final funding decisions approved by the Housing Trust Fund Corporation Board.
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<p><b>Describe threshold factors and grant size limits.</b></p>	<p>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.</p> <p>Community Development Assistance: Towns, Cities or Villages:</p> <p>Housing \$500,000</p> <p>Public Facilities \$300,000</p> <p>Public Infrastructure (water/sewer only) \$750,000</p> <p>Public Infrastructure with NYS Co-Funding Initiative \$1,000,000 Comprehensive \$750,000</p> <p>Community Planning \$50,000 Counties:</p> <p>Housing \$850,000</p> <p>Public Infrastructure \$750,000 Public Facilities \$300,000 Comprehensive \$750,000 Community Planning \$50,000 Joint Applicants:*</p> <p>Public Infrastructure (water/sewer only) \$1,250,000, \$1,500,000 with NYS co-funding initiative</p> <p>*Projects must meet specific requirements in order to qualify for funding under the Joint Applicants category.</p> <p>Economic Development Assistance:</p> <p>Strategic Economic Development program \$750,000 Minimum Request \$100,000</p> <p>Small Business Assistance program \$100,000</p> <p>Minimum Request \$25,000</p> <p>Microenterprise program \$200,000 Employment Training program \$50,000</p>
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	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>The NYS CDBG Program will track program performance using the following outcome measures:</p> <ul style="list-style-type: none"> <li>• Number of people assisted</li> <li>• Number of jobs created/retained</li> <li>• Number of housing units assisted</li> <li>• Number of homebuyers receiving direct financial assistance</li> </ul>
6	<p><b>State Program Name:</b></p>	<p>Solutions to End Homelessness Program</p>
	<p><b>Funding Sources:</b></p>	<p>ESG</p>
	<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	
	<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Units of local government and nonprofit organizations compete in and are awarded ESG funds based on the STEHP RFP process as described above. STEHP contracts operate on a five-year basis.</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Of the STEHP funds awarded annually on seventy (70) current contracts, 40% is dedicated to NYC, 60% is dedicated to contractors outside of NYC; 47% is dedicated to activities serving homeless persons, and 53% to activities serving those at risk of homelessness. Of the funds dedicated to serving homeless persons, 6% funds Street Outreach, 34% funds Shelter, 15% funds Transitional Housing and 45% funds Rapid Re-housing programs. Of the funds dedicated to Prevention activities, 48% funds traditional ESG prevention activities and 42% funds NYCFEPS application assistance activities. Also as a result of the STEHP RFP, OTDA awarded three additional contracts to nonprofits in Westchester County when HUD contracted with NYS to administer unspent FFY 12, 13 and 14 funds. Contracts started October 1, 2014 and will continue until September 30, 2019. Though separate Westchester funds are no longer identified in the yearly allocation, OTDA plans to continue funding these contracts with its ESG funds. Of these contracts, 59% is dedicated to Prevention activities and 41% is dedicated to Rapid Re-housing activities. In total, of the STEHP funds available in 2017, 54% will be used for Prevention activities, 3% for Street Outreach, 22% for Shelters and Transitional Housing, and 21% for Rapid Re-housing.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>If a NYC applicant performs NYCFEPS activities, the grant limit is \$947,000. Otherwise, STEHP grants are limited to \$309,825 for NYC contractors that don't perform NYCFEPS activities and those contractors outside of NYC.</p>

<b>What are the outcome measures expected as a result of the method of distribution?</b>	In the 2018 Program year, OTDA expects the 73 contractors will serve 13,550 persons in Street Outreach, Shelter and Transitional Housing programs, 4,700 persons with Rapid Rehousing and 37,000 persons with homelessness prevention.
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**Discussion:**

CDBG-DR funds are being utilized for eligible disaster related activities to support housing repair, rebuilding, mitigation, economic revitalization, community planning, and infrastructure repair and improvements (APA8 p. 45). New York State's CDBG-DR allocation priorities are to repair and harden storm-damaged residential units, creating additional affordable housing, reviving businesses, and rebuilding critical infrastructure throughout the State. (APA8 p. 47). The State's use of CDBG-DR funds also prioritize vulnerable populations, innovation in project design, alignment with other resiliency projects and state policy objectives, regional collaboration, and ecosystem restoration. (APA8 p. 64)

The New York State CDBG-DR Action Plan and amendments are available at the website of the New York Governor's Office of Storm Recovery: <https://stormrecovery.ny.gov/funding/action-plans-amendments>.

## **AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

### **Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

Yes

#### **Available Grant Amounts**

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

#### **Acceptance process of applications**

Eligible communities will be asked to submit preliminary information establishing that the proposed project meets federal eligibility requirements. 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; and
- 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.

## **AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?:**

Yes

### **State’s Process and Criteria for approving local government revitalization strategies:**

During the plan period, the NYS CDBG Program may exercise the right to allow eligible units of local government to carry out a revitalization strategy. In such a case, the CDBG Program would follow the guidance provided in Notice CPD-97-1 to implement an approval process, pending approval by HUD.



## AP-50 Geographic Distribution – 91.320(f)

### Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed:

CDBG funds are available to all eligible NYS communities that do not receive funds directly from HUD.

The State is “responsible for distributing HTF funds throughout the State according to the State’s assessment of the priority housing needs within the State, as identified in the State’s approved Consolidated Plan.”

For the current year’s allocation, HUD requires that, except for up to 10 percent of the allocation which may be used for administration, the HTF funds shall be used to provide capital subsidies, operating assistance and/or operating assistance reserves for new, non-transitional, rental housing units targeted to extremely low-income households with incomes at or below 30% of AMI.

HTF funding will be available statewide; and, NYSHFA does not anticipate establishing set-asides for HTF funds for specific geographic areas of the State.

HOME cannot predict the geographic distribution of assistance, as funds may be awarded in any part of the State, based on a demonstrated local market need, feasibility and the ability to commit and expend funds within HUD’s expenditure and commitment deadlines. HOME regulations require that fifteen percent (15%) of the State’s annual HOME allocation be awarded to Community Housing Development Organization (CHDO) projects. The remaining funds must be awarded to programs and projects statewide. HOME may award funds to non-profits for programs or projects in areas of other HOME Participating Jurisdictions (PJs), if a local market need is demonstrated for the HOME eligible activity and the PJ partners with or provides funds and/or resources to the program or project.

HOME funds that are used for multi-family rental development are typically paired with federal or state low-income housing tax credit programs. Tax credit rules include incentives for development in high opportunity zones, mixed income development and transit oriented development. The HOME Program does not prioritize the allocation of HOME funds to areas of low-income and minority concentration.

ESG funds awarded through the STEHP program are distributed statewide through a competitive Request for Proposals process with 40% being dedicated to New York City and 60% to the rest of the state.

### Geographic Distribution

Target Area	Percentage of Funds
New York State EJ	

Table 5 - Geographic Distribution

**Rationale for the priorities for allocating investments geographically:**

The New York State Office of Community Renewal (OCR) administers the State CDBG Program and publishes an annual Request for Proposals (RFP) for applications requesting funds to assist with eligible housing, public infrastructure/facility, and economic development projects. Final allocations are made based on pre-identified selection and rating criteria. Although target area investments are encouraged, these selection criteria do not include a geographic component.

The HOME Program does not have geographic set-asides for specific areas of New York. Since the majority of HOME funds are primarily used in areas that are not HOME participating jurisdictions, this generally results in HOME funds being directed to the smaller, more rural and exurban communities of New York, but does allow for funding in all areas of the State.

While “Geographic Diversity” is a scoring criterion in evaluating applications for HTF funding, as required by the HTF program, the State does not intend to dedicate a specific percentage or amount of HTF funding to particular areas. Funding decisions will be based with an emphasis on other scoring criteria.

OTDA prioritizes Prevention programs for the 40% of STEHP funds dedicated to New York City. This is because there is a known shortage of affordable housing units and those that are inhabited should be retained if possible. If a person becomes homeless, shelter stays are extensive due to lack of available units and long permanent housing wait lists.

**Discussion:**

## Affordable Housing

### AP-55 Affordable Housing – 24 CFR 91.320(g)

#### Introduction:

One Year Goals for the Number of Households to be Supported	
Homeless	2,351
Non-Homeless	11,901
Special-Needs	211
Total	14,463

**Table 6 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	10,300
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	10,300

**Table 7 - One Year Goals for Affordable Housing by Support Type**

#### Discussion:

The number of households supported with special needs represents the number of households supported with NYS HOPWA with short term rental, mortgage, or utility assistance, tenant based rental assistance and facility based housing assistance in permanent supported housing or leased units. The number of households supported through rental assistance includes 280 households supported with NYS HOPWA through tenant based rental assistance.

HTF program goals include units created through the new construction of multifamily rental projects that have received HTF funds for development acquisition, hard, and related softs costs, and operating cost assistance and operating cost assistance reserves.

The HOME Program meets annual goals to provide low income families an affordable and sustainable housing option by funding LPAs to provide: single-family Homeowner Housing Rehabilitation, Manufactured Housing Replacement, Homebuyer Purchase Assistance, Homebuyer Development Projects,

Rental Rehabilitation, Tenant Based Rental Assistance and Multi-family Rental Development.

The State has committed \$10 million dollars to assist storm-damaged housing authorities.

In addition to assistance to PHAs, the Multi-Family/Affordable Housing Program supports both the preservation of governmentally-assisted, including HUD-assisted affordable housing and other rental housing developments that were damaged by Hurricane Irene, Tropical Storm Lee or Superstorm Sandy, as well as the development of new affordable housing to address the rental housing shortage created by the storms and to help revitalize hard hit communities. Assistance is limited to projects located in storm damaged counties outside of New York City. The State estimates there are still outstanding needs for affordable rental within the impacted communities, within the Multi-Family/Affordable Housing Fund, it is envisioned that the allocation of CDBG-DR funds dedicated to rental will be leveraged both by tax- exempt private activity bonds (PAB), 4% low income housing tax credits, 9% tax credits, and private financing.

The Multi-Family/Affordable Housing Program offers assistance for the development of new selected affordable housing projects to alleviate the shortage of affordable housing created or exacerbated by Irene, Lee, and/or Sandy. CDBG-DR assistance provided through the Program is generally limited to assisting affordable housing units. However, mixed income developments are eligible for assistance if developers can leverage other funding to support the non-low- and moderate- income units. This initiative works to create new rental housing units through a variety of means, including the substantial repair of uninhabitable rental properties, the conversion of non-residential structures, and new construction. The Program may also “produce” new rental units through the repair of partially occupied properties that have a significant number of vacant, uninhabitable units.

For information about Hurricane Sandy, the State’s response, and CDBG-DR programs, please visit <https://stormrecovery.ny.gov/> to read the current CDBG-DR Action Plan.

STEHP funds will support 2,350 homeless households in Rapid Rehousing with rental assistance. STEHP funds will also support 11,360 non-homeless households with eviction prevention activities. Out of those, 7,700 are expected to receive STEHP rental assistance.

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction:**

New York State does not directly own or administer federal public housing. Therefore the requirements of this section do not apply to New York State's Consolidated Plan. However, New York State recognizes the additional statutory requirements of Section 105(b)(11) and Section 105(g) of the CHAS statute, as amended by the 1998 Appropriations Act. Although it must be recognized that these additional requirements place considerable and unique burdens on a State with 207 Public Housing Authorities (PHAs), the State of New York is complying with these additional requirements by conducting ongoing consultations with PHAs to determine the needs of the PHAs and to identify ways in which the State can assist in addressing these needs.

### **Actions planned during the next year to address the needs to public housing:**

Not applicable.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership:**

Not applicable.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance:**

Not applicable.

### **Discussion:**

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction:**

Through the STEHP Program, OTDA makes ESG funds available to local not-for-profits and local social services districts for street outreach, shelter, rapid rehousing and homelessness prevention services. The goal of STEHP is to assist individuals and families to prevent the eviction process, remain in or obtain permanent housing, and/or assist them with supportive services during their experience of homelessness while waiting to obtain permanent housing.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs:**

In 2018, STEHP providers estimate serving 13,550 persons in Street Outreach, Shelter and Transitional Housing programs, 4,700 persons with Rapid Rehousing and 37,000 persons with homelessness prevention services. STEHP currently contracts with eight Street Outreach providers that meet unsheltered persons “where they are” literally and figuratively. Providers address basic physical needs, transportation, emergent health and mental health needs, and most importantly they encourage potential participants to enter local shelters, housing programs and rapid rehousing programs.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons:**

STEHP currently contracts with 41 shelter and/or transitional housing providers which offer a variety of services from day shelter to overnight accommodations linked with case management, the ultimate goal of which is to obtain a permanent place to live. Besides supplying basic needs, shelters may provide essential services, assistance obtaining benefits, education services, employment services, outpatient health services, legal assistance, life-skills training, mental health and substance abuse counseling, transportation and certain child care services in order to assist participants with the goal of obtaining permanent housing.

HOPWA also funds one transitional housing facility to meet the needs in one upstate community to assist individuals with HIV/AIDS who are experiencing homelessness. This facility provides temporary housing while the individual works toward establishing more permanent housing and supports.

The HOME Program also supports the substantial rehabilitation or new construction of housing for the homeless.

The HTF program may also be used for new construction of non-transitional, permanent rental housing

units for extremely low-income households with incomes at or below 30% of AMI.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again:**

In its most recent STEHP RFP, OTDA, in recognition of the important role rapid rehousing can have on homeless systems, increased the amount of funding awarded to rapid rehousing programs across the State. In order to facilitate the incorporation of this service in local homeless systems, priority points were awarded to applications that identified a clear link between rapid rehousing programs and local homeless services operators. Furthermore, OTDA, in recognition of the importance of addressing employment needs, awarded priority points to rapid rehousing applicants that demonstrated a connection to employment services for the individuals they proposed to serve with STEHP funds. OTDA stresses case management which may include benefit/entitlement advocacy, overcoming past barriers to retaining housing, use of legal services and credit repair. STEHP currently contracts with 38 Rapid Rehousing providers whose goal is to assist participants in obtaining affordable permanent housing. In order to promote housing stability, OTDA allows Rapid Rehousing contractors to provide services for the maximum amount of time under current ESG regulations and mandates contractors serve a new participant for at least six months with at least case management if the participant is still willing to engage.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

STEHP contracts with 37 contractors that provide homelessness prevention services including financial and rental assistance, utility assistance, security deposits, legal services, credit repair and benefit/entitlement advocacy. OTDA, in recognition of the importance of addressing employment barriers and the prevalence of underemployment, awarded priority points to applicants that demonstrated a connection to employment services for the individuals they proposed to serve with STEHP Prevention funds. OTDA stresses case management which includes housing stability plans and allows contractors to serve participants for the maximum amount of time under current ESG regulations.

The HOPWA Program also helps low income individuals and families to attain and maintain permanent

housing with supports as needed. Tenant based rental assistance, short term rental, mortgage and utility assistance, as well as permanent housing placement services are deployed to assist these households in achieving housing stability.

**Discussion:**



**AP-70 HOPWA Goals – 91.320(k)(4)**

<b>One year goals for the number of households to be provided housing through the use of HOPWA for:</b>	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	80
Tenant-based rental assistance	280
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	8
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	30
Total	398

## **AP-75 Barriers to affordable housing – 91.320(i)**

### **Introduction:**

In an effort to improve access to fair and affordable housing throughout New York State's communities, New York will continue its efforts implementing the recommended meaningful actions that were identified through the State's most recent Analysis of Impediments to Fair Housing Choice (AI).

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

To overcome the barriers to fair housing that were identified through the AI, the State continues its work to achieve the following goals:

1. Preserve and expand statewide affordable housing inventory
2. Balance revitalizing racially and ethnically concentrated areas of poverty (R/ECAPs) and expanding affordable housing options in higher opportunity areas
3. Improve fair housing knowledge among all relevant stakeholders
4. Promote inclusive housing policies in communities to expand housing choice
5. Expand housing choice for members of the protected classes.

### **Discussion:**

In furtherance of meetings the obligation to AFFH and the abovementioned housing goals, the State will implement and/or continue the following initiatives:

#### Goals (1) and (2):

- Continue to incentivize mixed income family housing developments in communities across the State
- Continue to work to preserve and expand the inventory of affordable housing

#### Goal (3):

- Strengthen existing relationships with community-based organizations and service providers so that they may assist in the State's education and outreach efforts
- Continue to expand educational initiatives, including trainings and printed and electronic

publications, to increase fair housing knowledge among HCR awardees and the general public

Goal (4)

- Expand the agency's oversight of Affirmative Fair Housing Marketing to include additional HCR programs
- Continue to implement updated Fair Housing checklist for compliance monitoring inspection report to help awardees ensure that they are complying with federal, State, and local fair housing requirements
- Continue to collaborate with the New York State Division of Human Rights to address issues of housing discrimination

Goal (5):

- Continue the Section 8 Mobility Counseling Program and the Section 8 Family Self- Sufficiency Program and work to expand the scope of both initiatives
- Continue to prioritize funding to create and preserve affordable housing in higher opportunity areas, as defined in the State's AI

## **AP-85 Other Actions – 91.320(j)**

### **Introduction:**

#### **Actions planned to 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.

For example, 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 administers 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 264 loans statewide to agricultural producers (including fruit, vegetable and dairy operations) totaling \$15.7 million without a single default. The program's success has been driven by the ongoing collaborative partnership between HCR, the NYS Department of Health (DOH) and the Farm Credit East lending institution, which originates and services these streamlined loans.

#### **Actions planned to foster and maintain affordable housing:**

For single family housing, the HOME Program meets annual goals to provide low income families an affordable and sustainable housing option by funding LPAs to provide: single-family Homeowner Housing Rehabilitation, Manufactured Housing Replacement, Homebuyer Purchase Assistance, Homebuyer Development Projects, Rental Rehabilitation, Tenant Based Rental Assistance and Multi-Family Rental Development.

For large scale multi-family housing, New York State's strategy will focus on combining the LIHC with available public subsidies on the federal, State, and local level. It is through this combination that most of the affordable rental housing developed by New York will likely attain the financial feasibility and the viability necessary to assure project completion and operation while serving a broad variety of households.

A predictable flow of LIHC accruing to New York will allow the State to continue to accurately forecast the amounts and types of government subsidies that can be leveraged through use of the LIHC. This predictability will also allow the State to forecast, by way of its goals and priorities, the types of subsidies that will be most effective in meeting the housing needs of the State over the next five years.

Most 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, CDBG and/or Housing Trust Fund monies.

Additionally, New York State will fund the Mobile and Manufactured Home Replacement Program (MMHR). The program will assist homeowners to replace dilapidated mobile or manufactured homes that are sited on land owned by the homeowner, with a new manufactured, modular or site built home.

The program will provide an existing homeowner of a dilapidated mobile or manufactured home with the replacement of that home with a new manufactured, modular or site built home.

**Actions planned to reduce lead-based paint hazards:**

NYS's Childhood Lead Poisoning Primary Prevention Program (CLPPPP) utilizes a housing-based primary prevention approach to identify environmental lead hazards within target areas that have been identified having the highest risk of childhood lead poisoning. The CLPPPP initiative draws on evidence-based approaches to assess and improve housing conditions by performing inspections, issuing notifications, and facilitating compliance through various enforcement methods. At the same time, the NYS Department of Health continues to respond to children diagnosed with elevated blood lead levels statewide. This primary prevention policy enables a more proactive and effective approach to preventing lead poisoning. Currently, the DOH has contracts with 15 County Health Departments to provide lead poisoning primary prevention services.

The CLPPPP is undergoing transition to a new custom-built data management system that provides real-time data collecting and reporting. CoInspect will replace the current Microsoft ACCESS database, which was built for NYS CLPPPP in 2007. The program has since outgrown the ACCESS database, and the new CoInspect database provides solutions to the Access database limitations and has many advantages: increases timeliness, consistency and accuracy of inspection data to inform programs in targeting and managing the highest risk housing; and utilizes New York State's property data set and geocodes property addresses for mapping analysis. The launch of the new CoInspect database is expected in July 2017.

The CLPPPP will implement a quality improvement plan for NYS-funded lead poisoning programs, including a focus on improving inspection compliance timeframes, strengthening enforcement strategies and standardizing lead hazard risk assessment techniques. CLPPPP grantees work closely with community partners to secure referrals, increase lead hazard awareness, and deliver lead prevention services and education. Some grantees successfully partner with local code enforcement agencies, Section 8, and local social services. These special partnerships bring out the best in both programs to identify high-risk housing, assess for lead based paint hazards, and facilitate compliance.

NYSDOH promotes development of skilled and certified workforce for lead remediation while increasing availability of lead safe work practices training for property owners, contractors, and residents. NYS grantees continue to use various techniques to facilitate training among a diverse population. Most of the trainings are free or at reduced cost and are convenient for participants to attend. In addition, grantees

provide incentive packages containing lead hazard control supplies to participants who completed the training.

The NYS Healthy Neighborhoods Program (HNP) provides in-home assessments and interventions to address home environmental health and safety hazards, including asthma triggers, tobacco, indoor air quality, lead, fire safety, and other environmental conditions. In 2012, NYSDOH was awarded a Healthy Homes Technical Study grant by the U.S. Housing and Urban Development. The Principal Investigator at NYSDOH and the National Center for Healthy Housing (NCHH) assessed the effects of the intervention on housing health and safety hazards, asthma outcomes, and the costs and benefits of providing this home-based environmental intervention to children and adults. In January 2017, the findings were published in the Journal of Public Health Management & Practice in three research papers summarizing the health and cost benefits of NYSDOH's Healthy Neighborhoods Program (HNP): “The New York State Healthy Neighborhoods Program: Findings From an Evaluation of a Large-Scale, Multisite, State-Funded Healthy Homes Program”; “An Evaluation of a State-Funded Healthy Homes Intervention on Asthma Outcomes in Adults and Children”; and “A Cost-Benefit Analysis of a State-Funded Healthy Homes Program for Residents With Asthma: Findings From the New York State Healthy Neighborhoods Program”. The evaluations suggest that a comprehensive low- intensity healthy housing approach can produce short-term improvements in health and safety hazards; targeting the asthma intervention to people with poorly controlled asthma maximizes improvements in trigger avoidance and asthma morbidity; and decreases the cost of healthcare utilization. The findings will inform Medicaid policy for residents with asthma and policy development that would increase access and sustainability of healthy housing services.

**Actions planned to reduce the number of poverty-level families:**

The five programs covered by the Consolidated Plan – CDBG, HOME, HTF, ESG and HOPWA – directly support the overall State anti-poverty strategy by addressing the housing and/or non-housing community development needs of persons at or below the poverty level. This has the cumulative effect of reducing the number of poverty level families.

CDBG supports a variety of non-housing community development activities that are targeted to low and moderate income families. These investments include, but are not limited to:

- Neighborhood water, sewer, and stormwater infrastructure
- Rehabilitating or replacing public facilities such as daycare and senior centers
- Providing economic development assistance to business that will create or retain jobs available to low/moderate income individuals

**Actions planned to 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 a continual basis to improve the administration of programs across the agency. Closer communication among divisions and offices in the agency will be pursued to improve program coordination.

**Actions planned to 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.

To that end, the Most Integrated Setting Coordinating Council (MISCC) Housing Committee is comprised of consumers and leaders in not-for-profit organizations, local governments and State agencies to work together to positively impact the lives of people with physical or psychiatric disabilities.

The Commissioner of DHCR chairs this Task Force.

It is a priority of HCR to strengthen and expand partnerships in housing and community development. These partnerships include all public and assisted housing providers as well as the private and governmental health, mental health, and service agencies that do business with the State's housing programs. New York State will continue to employ a number of vehicles for communication and coordination which include:

- The National Affordable Housing Act Task Force and Consolidated Plan Partnership Advisory Committee
- The Most Integrated Setting Coordinating Council- The Developmental Disabilities Planning Council
- 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.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

**Introduction:**

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	900,000
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	84.00%

#### HOME Investment Partnership Program (HOME) Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The NYS HOME Program does allow the refinancing of existing debt for multi-family housing. 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.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:  
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). All Recapture and Resale mechanisms used to secure the affordability of the HOME assisted unit must be recorded in accordance with State recordation laws and in compliance with NYS HOME Local Program Resale-Recapture Guidelines. For more information, please see NYS HOME Local Program Resale - Recapture Guidelines in Appendix II.
3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Under most circumstances, homeownership projects undertaken by the NYS HOME Local Program will be subject to recapture. The homebuyer assistance will be secured by means of a note and mortgage given to HTFC by the low-income household being assisted. A template of the HTFC note and mortgage is provided to Local Program Administrators (LPAs) at contract execution. Under most circumstances, the recapture provisions will be used in HOME homebuyer activities. However, resale restrictions may or must be used under the following circumstances: 1) 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 to secure the HOME investment. 2) Resale restrictions may also be used 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 sale prices, rapidly appreciating housing costs, or where affordability will not be preserved by unrestricted sales of assisted units. HTFC approval of the conditions warranting the use of a re-sale restriction is required. For more please see NYS HOME Local Program Resale-Recapture Guidelines in Appendix II.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

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.

### **Emergency Solutions Grant (ESG) Reference 91.320(k)(3)**

1. Include written standards for providing ESG assistance (may include as attachment)

New York State allocates 100% of its ESG funds (minus its administrative portion) to subrecipients under the Solutions to End Homelessness Program (STEHP). Furthermore, NYS contributes some of its own resources to the STEHP program. All STEHP contractors are required to follow ESG regulations regardless of whether their individual contracts contain ESG funds. NYS requires all contractors to develop a STEHP program manual describing provision of services and how the program operates. Manuals should include standard policies and procedures for evaluating eligibility consistent with ESG regulations along with procedures for assessment and admission, referral, coordination with other providers, connection to mainstream benefits, length of assistance, levels of assistance, participant contributions (if any), discharge, premature termination and inclusion of homeless persons' participation in agency policy. Manuals are reviewed at monitoring visits.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

Seventy-three (73) current contracts are in effect from October 1, 2014 – September 30, 2019 as a result of applications submitted under the competitive Solutions to End Homelessness Program (STEHP) Request for Proposals (RFP) in August 2014. Any not-for-profit corporation pre-qualified in the Grants Gateway System, and units of local government and local social services districts are eligible to apply for STEHP funds. Proposals received are reviewed by staff at OTDA and assigned an overall competitive score. Proposals are judged based on the responsiveness of the proposal to the RFP, evidence of the applicant's understanding of the needs of the homeless population and those at risk of homelessness, and programmatic and fiscal feasibility as outlined in the RFP.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with

homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

N/A

5. Describe performance standards for evaluating ESG.

The performance standards set for the STEHP Program intend to encourage sub-grantees to provide long-term stability for their program participants. In the STEHP RFP, priority was given to each applicant **that could demonstrate an 85% positive housing outcome rate. The State considers a positive housing** outcome to have occurred if a program participant is currently residing in or is on the path to securing permanent housing. Additionally, each sub-grantee needs to show annually that their project has achieved at least a 75% positive housing outcome. Should a project not achieve this positive housing outcome standard, OTDA may reallocate their STEHP funds to one or more STEHP sub-grantees.

Projects are monitored by OTDA throughout the term of the contract. Monitoring may include site visits, regular telephone contact, as well as provider meetings. The goal of monitoring is to ensure that the terms of the contract are being met and ESG regulations are being followed. In addition, monitoring enables OTDA to provide technical assistance, where necessary, in order to assist the contractor in meeting the terms of the contract. It is the responsibility of the contractor to monitor any and all sub-contracts.

In addition, copies of all applicable federal rules and regulations for the program have been disseminated to sub grantees, along with materials to assist them with the vouchering and reporting process. Periodic conference calls and/or in-person training sessions will be held with sub-grantees to address any questions they have with contract compliance and/or programmatic concerns with which they need assistance.



## New York State Appendix

### NYS HOME Local Program Recapture/Resale Provisions Approved HUD 2/1/2016

#### **NYS HOME Local Program Homebuyer Recapture/Resale 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). All Recapture and Resale mechanisms used to secure the affordability of the HOME assisted unit must be recorded in accordance with State recordation laws. In all cases, the homebuyer will be required to own and occupy the HOME-assisted unit as his or her principal residence for the duration of the period of affordability. If the HOME-assisted homebuyer fails to occupy the unit as his or her principal residence (i.e., the unit is rented or vacant), or the home was sold or otherwise transferred during the period of affordability and the applicable resale or recapture provision was not enforced, then the project will be considered noncompliant and full repayment of the HOME assistance is required.

Accordingly, the State monitors compliance of the principal residency requirement by requiring Local Program Administrators (State Recipients, sub-recipients and CHDOs collectively known as LPA's) to annually verify principal residence occupancy by mail, records search or direct contact with the homeowner. The State monitors compliance during annual monitoring of the LPA. If the HOME assisted buyer fails to remedy noncompliance issues, full repayment of the HOME assistance provided to the buyer is required.

#### **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. 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 LPA's by HTFC.

The amount of the note and mortgage is the "direct HOME subsidy".

**Direct HOME subsidy is defined as:** the amount of HOME assistance, including any program income that enabled the homebuyer to buy the unit. The direct subsidy includes down payment, closing costs, interest subsidies, or other HOME assistance provided directly to the homebuyer. In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an affordable price. If HOME funds are used for the cost of developing a property and the unit is sold below fair market value, the difference between the fair market value and the purchase price is considered to be directly attributable to the HOME subsidy.

If there is no direct homebuyer assistance and a development subsidy is provided, then the resale method outlined below must be used.

Affordability Period – The period of affordability specified in the note and mortgage will be the minimum period for the project as specified in 24 CFR 92.254(a), sections (4) and (5).

The following table outlines the required minimum affordability periods:

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

The affordability period will be based on the amount of direct home subsidy.

Amount subject to recapture – If a home buyer is in noncompliance with the principal residency requirement (e.g., the unit is rented or vacant) during the period of affordability, will require repayment of the HOME subsidy at the time the event occurred. The amount of recapture 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.
  
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%.
  
3. The remainder of the net proceeds, if any, shall be retained by Owner.

HOME funds that are used as a development subsidy, and are not part of the homebuyer 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 an LPA 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.

HTFC will allow, in compliance with 92.254(a)(5)(ii), the assumption of a recapture obligation by a subsequent eligible, low-income homebuyer, when no additional HOME assistance is provided to the subsequent homebuyer. The subsequent homebuyer will assume and complete the original terms and conditions of the recapture obligation of the original homebuyer.

## **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 direct HOME subsidy is provided, resale restrictions must be used instead of recapture restrictions as described above.
- Resale restrictions may also be used 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 the use of a resale restrictions is required.
- Resale restrictions are also used when land trusts own the property.

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

Resale will be enforced by means of a HTFC provided Restrictive Covenant and Resale Restriction and/or 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 must be reviewed and approved by the HTFC and HUD.

HTFC will permit the use of notes and mortgages in addition to, but not in lieu of the restrictive covenant and resale restriction and/or deed restriction, to secure the rights of HTFC and 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, transfer in lieu of foreclosure or assignment of an FHA mortgage in order to clear title. HTFC may use purchase options, 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:

<b>If the total HOME investment in the unit is:</b>	<b>The period of affordability is:</b>
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 and the housing must be occupied by the low-income household as its principal residence throughout 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.

- The price at sale 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 can occur at market value, with the following 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 the sum of:
  1. The reimbursement of the original owner’s down payment and/or closing costs made at the time of initial purchase, if any;
  2. The principal amortized on the senior debt during the period of ownership;
  3. The investment in eligible capital improvements defined as: any individual improvement made specifically to the structure or major system of the HOME assisted housing unit in which the cost was more than \$3,000.00 and where applicable, the work was properly permitted, inspected locally and the actual cost has been documented with third party receipts.
- The value of the owner's investment (the sum of 1-3 above) will be adjusted by using the Housing Price Index. The change in the HPI from the original purchase to the time of sale will be applied to the value of the owner's investment, so that the value of the improvements is increased or decreased by the amount of increase or decrease in the housing market overall.
- Affordable to range of low-income buyers – The sales price may not exceed a price that is not affordable to households at 70% to 80% of area median income (AMI). The HTFC defines “affordable price” as a price that is at or below an amount that will allow a low-income family to pay no more than 35 percent of their monthly income to pay for mortgage principal and interest, property taxes and insurance.

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.