



## **NEIGHBORHOOD STABILIZATION PROGRAM (NSP) DISBURSEMENT REQUEST PROCEDURES**

Disbursement of NSP funds can begin once the Assistance Agreement has been executed; applicable federal environmental review procedures are completed; and required documentation for an NSP-assisted acquisition, rehab, construction, demolition, land banking, or homebuyer assistance activity is received and approved by New York State Homes & Community Renewal ("HCR"). Disbursements for NSP-eligible costs can be made in one of two ways: 1) to fund actual incurred costs, evidenced by invoices or other appropriate back-up, or 2) to reimburse grantees for payments already made and properly documented for NSP-eligible costs.

The following is an outline of the required forms to be completed for reporting of obligations and processing of disbursement requests. Forms are posted on the Agency NSP web page at:  
<http://www.nyhomes.org/Municipalities/NSP/NSPRound1GranteeDisbursementRequests.htm>.

Please be sure to use the current version of forms as indicated below when submitting a disbursement request, as forms may be revised occasionally as needed. Grantees will be notified if forms have been revised.

The following documents must be submitted at or in advance of initial funding. Please submit these items together in one email, and name each file by the title indicated in italicized brackets below:

- 1) Authority to Use Grant Funds (AUGF) [*AUGF*]
- 2) Copy of current required Liability Insurance Certificate, updated annually as applicable (see Exhibit K of the Assistance Agreement for liability insurance requirements) [*Liability Insurance*]
- 3) Completed Form W-9 [*Form W-9*]
- 4) Direct Deposit Form used for Automated Clearing House (ACH) Instructions and direct wire transfers (form supplied by HCR) [*Direct Deposit Form*]
- 5) Executed Pass-Through Agreements with Pass-Through Addendum, as applicable [*Pass-Through Agreement*]
- 6) Evidence of Funding Commitments for Entire Project, as applicable [*Evidence of Funding Commitments*]
- 7) Bank Account Agreement (form supplied by HCR - original must be submitted) [*Bank Account Agreement*]

All forms and accompanying documents should be submitted to the following email address: [nspfundings@nyshcr.org](mailto:nspfundings@nyshcr.org). Submittals by mail will also be accepted. Please name files as indicated on the respective form, and submit the form along with all accompanying documents together in one email per transaction. Forms must be signed by an officer or a non-officer for which HCR has an authorization signed by an officer of the grantee on file.

### **NSP Disbursement Request – Administration Costs Only** - Version November 2010

This form should be used only by grantees who were awarded NSP Administration funds, to request disbursement of NSP-eligible administration costs.

### **Initial Property Set-Up and Obligation Form** - Version January 2012

This form and related documentation should be submitted for each property which will be assisted by NSP funds or NSP Program Income, preferably at the time the purchase contract has been signed. This form **MUST** be submitted prior to or at the time the first NSP disbursement request form is submitted for acquisition activities (or, if the property was already owned, when the disbursement form is submitted before rehab/construction begins). This form should **NOT** be submitted if funding for a particular property is limited only to direct homebuyer assistance.

### **Disbursement Request** - Version November 2010

Please fill out this form for each property when requesting NSP funds. Grantees must have submitted an Initial Property Set-Up form for each assisted property at the time of or prior to the first disbursement request. Grantees must report and use NSP Program Income before requesting additional NSP funds. This request should only reflect the budget items to be paid by NSP funds, and not by other leveraged funds.

**Policy on Developer Fees:** For acquisition/rehab and redevelopment activities only (Uses B and E, respectively), grantees who did not receive a sub-allocation of NSP Administrative fees from the State to coordinate multiple program partners are permitted to allocate reasonable developer or activity delivery fees in their program budgets. (Note: The State interprets “reasonable” to mean up to 10% of total program costs.) The payment schedule is as follows:

\* 10% Hold-Back: 10% of the overall developer fee will be withheld by HCR until grantee’s final property is developed and sold (or leased, as applicable). Example: If the total program developer fee is 10% of a \$5 million total program budget, then 10% of the \$500,000 fee, or \$50,000, will be withheld by HCR until completion of the final NSP property, as evidenced by a certificate of occupancy.

\* Property-specific developer fees: On a per property basis, the pro-rated developer fee is split 45-45-10. The first 45% can be drawn upon closing of the property acquisition (or, at the construction start, if the property was already owned). The second 45% can be requested upon completion, when legal occupancy is obtained for the property (TCO or C of O). The last 10% is withheld by HCR as part of the overall 10% Hold-Back. [Example: Assume the developer fee per property, for an average \$100,000 development budget, is budgeted at 10%, or \$10,000. Forty-five percent (45%) of that, or \$4,500, can be funded at the closing or construction start. Another 45% (\$4,500) is fundable upon completion. The remaining ten percent, or \$1,000, will be withheld as part of the overall 10% Hold-Back.]

### **Property Close-Out Form** - Version June 2013

Please submit this form at least 30 days in advance of a homebuyer closing (for homeownership projects) or conversion to permanent financing (for rental projects), whether or not additional NSP funding is needed at that time.