



## NATIONAL LOW INCOME HOUSING COALITION

### **NLIHC Summary of New York's Draft HTF Allocation Plan**

State Designated Entity: New York Housing Finance Agency,  
Homes & Community Renewal  
\$7,013,963

#### **Affordability**

Eligible recipients will be entities “seeking to develop projects that contain a component of units with residential units **affordable** to households with **incomes at 30% or less of AMI**, as adjusted for family size.” (page 2)

NLIHC: Draft does not define “affordable”.

Under “Scoring” on page 3, draft merely repeats interim rule:  
“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.)”

NLIHC: The interim rule narrows the statutory priority of “extent to which rents are affordable, particularly to extremely low income”. The interim rule’s narrowing of “affordability” has no basis in statute and disadvantages creative projects that do not rely on scarce federal Housing Choice Vouchers.

“Rental properties located within New York City or in municipalities subject to the Emergency Tenant Protection Act (“ETPA”) shall be required to register such units with the New York State Division of Housing and Community Renewal’s Office of Rent Administration and to comply with, respectively, the rent stabilization laws or ETPA.” (page 2)

#### **Length of Affordability**

“All projects will be subject to a minimum regulatory period of 30 years and must be maintained in safe and sanitary conditions for the full 30 years.” (page 2)

## **Merit of Project**

“In order to minimize displacement of persons, a **priority** will be placed on projects that do not require displacement.” (page 2)

Draft Allocation Plan merely lists the six statutory priority factors without hinting at relative priority. (page3)

The Draft also adds on page 3:

“HFA expects to evaluate HTF applications based on the following standing State priorities:

- **Community Renewal and Revitalization Projects:** Mixed use and/or mixed-income projects in neighborhoods as part of a coordinated community redevelopment plan that involve infill new construction and/or the demolition and replacement of buildings having a blighting impact on a community, and for which rehabilitation is impracticable.
- **Integrated Supportive Housing Projects:** Projects that provide permanent supportive housing to a variety of special needs populations in integrated housing settings.
- **Housing Opportunity Projects:** Projects that propose workforce housing in areas experiencing economic growth that are served by high performing school districts.
- **Workforce Opportunity Projects:** Projects that propose workforce housing projects in close proximity to Metropolitan Transit Authority (MTA) rail stations outside the City of New York, or within a quarter-mile walk of an MTA subway station within the City of New York; or, which are in communities that have completed and are implementing Transit Oriented Development plans that clearly link the proposed project to expanded transportation choices for tenants; or, which are in close proximity to multi-modal transportation centers that will contribute to the development of vibrant, mixed-use, high-density neighborhoods.
- **Disaster Relief Projects:** Projects in communities directly impacted by Federal Emergency Office declared disasters, including, but not limited to, Superstorm Sandy, Hurricane Irene, Tropical Storm Lee, and the Summer 2013 Severe Storms and Flooding.
- **Economic Development Projects:** Projects specifically endorsed in the Regional Economic Council Strategic Plans that will support the construction of new affordable housing and for which significant financial assistance has been made available as part of such plans.

## **Preference or Limits to Population Served**

“...HFA...will not limit beneficiaries and/or give preferences to any segments of the extremely low income population...” (page 2)

## **Renter/Homeowner**

“The New York State Housing Finance Agency (“HFA”) will administer \$7,013,963 of Federal Housing Trust Fund (“HTF”) monies to support the creation of new residential multifamily **rental** projects...” (page 1)

“HTF funds may be used statewide for the new construction of **multifamily rental** housing affordable to extremely low income households.” (page 1)

“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.” (page 1)

“...HFA...will not use HTF funds to assist first-time homebuyers, will not use HTF funds for homeownership housing...” (page 2)

## **New Construction/Rehabilitation/Preservation**

“HTF funds may be used statewide for the **new construction** of multifamily rental housing affordable to extremely low income households.” (page 1)

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. (page 1)

“...HFA...will **not** use HTF funds for rehabilitation of housing...” (page 2)

## **Plan to Use HTF for Operating Cost Assistance**

Operating cost assistance and operating cost assistance reserves are indicated as eligible costs. (page 1)

## **Grant or Loan**

Draft Allocation Plan does not indicate.

## **Geographic Distribution**

“HTF funds may be used **statewide** for the new construction of multifamily rental housing affordable to extremely low income households.” (page 1)

## **Affirmatively Furthering Fair Housing**

“HFA intends to administer the HTF in a manner that affirmatively furthers fair housing choice.” (page 2)

Potential AFFH factor? “HFA expects to evaluate HTF applications based on the following standing State priorities: [one of which is] (page 2)

- Community Renewal and Revitalization Projects: Mixed use and/or mixed-income projects in neighborhoods as part of a coordinated community redevelopment plan that involve infill new construction and/or the demolition and replacement of buildings having a blighting impact on a community, and for which rehabilitation is impracticable.

## **Eligible Recipients**

“Eligible recipients for HTF will include not-for-profit corporations or charitable organizations, a wholly owned subsidiary of such corporations or organizations, or private for-profit developers...” (page 2)

## **Maximum Per-Unit Subsidy**

“HCR will establish maximum limitations on the total amount of HTF funds that can be invested per HTF-assisted unit. The limits will be adjusted for the number of bedrooms in and the geographic location of the project.” (bottom page 2/top page 3)

## **Leveraging**

Simply mentions as one of the six statutory priority factors, without weight. (page 3)

## **Use of Subgrantees**

“...HFA will not distribute HTF funds through grants to subgrantees...” (page 2)

## **Applicant Capacity**

Simply mentions as one of the six statutory priority factors, without weight. (page 3)

## **Mixed Income/Close Ties to LIHTC Program**

“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.**” (page 1)

“It is expected that each project will also contain units that **serve a range of household incomes above 30% of AMI** that are served by existing housing finance programs.” (page 1)

“Projects are also expected to meet, at a minimum, the normal **tax exempt bond and Low Income Housing Tax Credit** low income set aside requirements, e.g. 20% of the units affordable to households with incomes at 50% or less of AMI or 40% of the units (25% in the City of New York) affordable to households with incomes at 60% or less of AMI.” (page 2)

“HFA expects to evaluate HTF applications based on the following standing State priorities: [one of which is] (page 2)

- Community Renewal and Revitalization Projects: **Mixed use and/or mixed-income projects** in neighborhoods as part of a coordinated community redevelopment plan that involve infill new construction and/or the demolition and replacement of buildings having a blighting impact on a community, and for which rehabilitation is impracticable.