

## **Farmworker Housing Program (FWH)**

### **Questions and Answers**

#### **Q. What is the Farmworker Housing Program?**

**A.** The Farmworker Housing Program is a low-cost loan program, in existence since 1995, which assists in the improvement of existing housing or the construction of new housing for farmworkers (whether seasonal or year-round).

Under this program, the New York State Homes and Community Renewal (HCR), acting through the Division of Housing and Community Renewal, enters into Master Servicing Agreements with participating lending institutions (herein referred to as "local loan administrators") to originate and service loans of up to \$200,000 per year.

These loans are provided to agricultural producers who apply to the local loan administrator and demonstrate that these program funds are needed to purchase, improve or construct farmworker housing. While HCR's priority is to provide loan funds for projects which will bring existing farmworker housing into compliance with applicable building codes (i.e., New York State Sanitary Code or New York State Uniform Fire Prevention and Building Code), loan funds may also be used for the new construction or the expansion of existing facilities.

The Farmworker Housing Program is administered by HCR and the participating local loan administrator with the cooperation of the New York State Department of Health and county health departments.

Farm Credit East, ACA, which provides financial and other services to agricultural producers in New York State, has administered the program as local loan administrator since the inception of the program. Farm Credit East, ACA, contracted with HCR for an additional five year contract term (effective as of July 1, 2021) after its successful response to a Request for Proposals issued by HCR.

#### **Q. How much money is available?**

**A.** Agricultural producers may apply to borrow up to \$200,000 per year in loan funds for farmworker housing projects.

The maximum amount of overall program funds available is \$15 million under the current contract.

The program is administered as a revolving loan fund, with loan repayments made by borrowers applied to the balance of available funds for new loans.

#### **Q. What type of institutions may participate as a local loan administrator?**

**A.** Eligible local loan administrators include Farm Credit System institutions, farm bureaus or banking institutions with a demonstrated ability to provide financial assistance and service to agricultural producers.

As noted above, HCR continues to partner with Farm Credit East, ACA, as the local loan administrator responsible for administering the program.

**Q. Who is eligible to receive a loan? What are the terms of the loan?**

**A.** An eligible loan recipient is an agricultural producer. An agricultural producer means a person or entity which owns or operates land eligible for an agricultural assessment pursuant to Section 305 or Section 306 of the NYS Agriculture and Markets Law and which produces food by the tillage of the soil, or raises, sheers, feeds or manages animals or other dairying processes.

Farm Credit East, ACA, as local loan administrator, requires a one-time origination and servicing fee from the borrower at the time of their loan closing of five percent (5%) of the loan amount as well as applicable UCC filing fees; which are an acceptable cost of borrowing for this program. There are no other interest or inspection fees charged and this fee is amortized over the ten-year loan repayment period.

**Q. How many loans have been provided under the Farmworker Housing Program?**

**A.** Since the inception of the Farmworker Housing Program, a total of 480 loans, in the aggregate amount of \$38,783,037, have been provided by HCR in partnership with Farm Credit East, ACA, to agricultural producers to construct or improve housing for seasonal or year-round farmworkers. In the same period, HCR has received loan repayments totaling \$30,792,628, which have been utilized to provide additional program loans.

In the last completed NYS Fiscal Year (SFY 2022-2023), HCR in conjunction with Farm Credit East, ACA, disbursed a total of \$4,364,315, for 32 loans and received loan repayments totaling \$1,645,519.

Since April 1, 2023 (the start of SFY 2023-24), HCR has disbursed a total of \$3,738,670 for 24 loans to date.

**Q. How does an agricultural producer apply for a Farmworker Housing Program loan?**

**A.** An agricultural producer who is interested in obtaining a program loan should contact their nearest Farm Credit East, ACA, office which serves the area in which their farm is located, to apply. Agricultural producers may apply at any time. However, loan funds will be made available by HCR on a first-come, first-serve basis.

To apply for a loan, contact a Farm Credit Loan Officer – Go to [www.farmcrediteast.com](http://www.farmcrediteast.com) to locate your local office. Or for administrative questions contact:

Michael Haycook  
**Farm Credit East, ACA**  
One Pioneer Drive  
Potsdam, NY 13676  
315-265-8452 or 800-295-8431

**For more information and any other questions concerning the program, contact:**

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NYS Homes and Community Renewal  
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