



**Homes and  
Community Renewal**

**Affordable  
Housing  
Corporation**

***Affordable Home Ownership Development Program  
2016-2017 Home Improvement Projects  
Request for Proposals***

**Andrew M. Cuomo, Governor**

RuthAnne Visnauskas, Commissioner/CEO, NYS HCR

NYS Homes and Community Renewal  
Office of Community Renewal  
641 Lexington Avenue  
New York, NY 10022  
[www.nyshcr.org](http://www.nyshcr.org)

**AHC HOME IMPROVEMENT  
REQUEST FOR PROPOSALS: 2016-2017**

**TABLE OF CONTENTS**

<b>What's New for 2016-2017.....</b>	<b>3</b>
<b>Preface.....</b>	<b>5</b>
<b>Office of Community Renewal.....</b>	<b>6</b>
<b>Introduction.....</b>	<b>9</b>
<b>AHC's Affordable Home Ownership Development Program.....</b>	<b>10</b>
<b>Creating the Proposal.....</b>	<b>15</b>
<b>Certifications.....</b>	<b>16</b>
<b>Project Information &amp; Description.....</b>	<b>18</b>
<b>Financial Plan.....</b>	<b>26</b>
<b>Management and Marketing Plans.....</b>	<b>33</b>
<b>Project Status and Schedule of Activities.....</b>	<b>41</b>
<b>Cash Drawdown Schedule.....</b>	<b>43</b>
<b>Temporary Relocation Plan.....</b>	<b>48</b>
<b>Equal Opportunity Requirements.....</b>	<b>49</b>
<b>Equal Employment Opportunity Agreement.....</b>	<b>50</b>
<b>Minority and Women-Owned Business Utilization Plan.....</b>	<b>57</b>
<b>Applicant/Development Team Information.....</b>	<b>64</b>
<b>Required Forms and Certifications.....</b>	<b>67</b>
<b>Supplemental Documentation.....</b>	<b>69</b>
<b>Document Checklist.....</b>	<b>70</b>
<b>Program Regulations.....</b>	<b>71</b>
<b>Appendices.....</b>	<b>96</b>

- I: AHC Occupancy/Repayment Table
- II: New York State Regional List
- III: Document Checklist

## What's New for 2016-2017

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- **Equal Employment Opportunity (EEO) Goals and Executive Order No.162**

Pursuant to 5 NYCRR Part 143, the agencies comprising New York State Homes and Community Renewal (HCR) are required to set EEO goals on all State contracts as well as collect EEO information and report it on a quarterly basis. Due to recent amendments to the program, effective immediately, the actual EEO goals on all contracts are rescinded until further notice. However, procurement contracts having a contract value in excess of \$25,000 must continue to submit quarterly reports; and construction contracts having a value in excess of \$100,000 must continue to submit monthly reports on a quarterly basis.

Additionally, per Executive Order No. 162 issued on January 9, 2017 by Governor Andrew M. Cuomo, all procurements, contracts, and agreements issued and executed on or after June 1, 2017 must require contractors to include detailed workforce utilization reports, including the salary of each employee performing work on a State contract. A modified form will be made available prior to June 1st. If the contractor cannot identify individuals working directly on a State contract, they must provide this information for their entire workforce. A provision must also be made in all State contracts requiring each contractor to impose the same requirements on subcontractors working on State contracts. These requirements do not affect current contracts.

- **Service-Disabled Veteran-Owned Business Program**

The Division of Service-Disabled Veterans' Business Development (DSDVBD) is housed within the New York State Office of General Services and is tasked with promoting and encouraging the continuing economic development of Service-Disabled Veteran-Owned Businesses (SDVOBs). Through the DSDVBD, the State of New York aims to assist service-disabled veterans in playing a greater role in the economy of the state and to promote additional assistance and support to disabled veterans to better equip them to form and expand small businesses, thereby enabling them to realize the American dream they fought to protect. New York State Executive Law Article 17-B governs requirements for the participation of SDVOBs in New York State Contracting. The objective of Article 17-B is to expand opportunities for SDVOBs, primarily through increased participation in New York State contracting.

AHC and the Office of Economic Opportunity & Partnership Development work with AHC grantees to ensure participation of SDVOBs.

- **M/WBE Utilization Plan**

As a condition of funding, the Applicant is required to submit and have approved, prior to award by AHC through its Office of Economic Opportunity and Partnership ("OEOPD"), a Minority and Women-owned Business Utilization Plan.

A copy of the plan may be found in PART II (Exhibit H) attached herein, which includes the minority-owned and women-owned business goals AHC has determined to be appropriate for Projects funded under the Program. Grantees and contractors must utilize this plan. However, amended utilization plans can be submitted to OEOPD approval.

In order to comply with the requirements of this Plan, prior to the funding of the Project, Grantee and General Contractor shall submit the completed MWBE utilization plan: <http://www.nyshcr.org/Forms/FairHousing/UtilizationPlan.xlsm>

## **Preface: New York State Homes and Community Renewal**

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New York State Homes and Community Renewal (HCR) consists of all the State's major housing and community renewal agencies, including the Affordable Housing Corporation, the Division of Housing and Community Renewal, Housing Finance Agency, State of New York Mortgage Agency, Housing Trust Fund Corporation and others.

Organizing these agencies under a single leadership and management structure has created new efficiencies and allowed for better coordination of the State's resources. Similar and complimentary programs are now aligned and working together, reducing costs, red tape and duplicative efforts while increasing the effectiveness of the State's housing and community renewal programs.

HCR organizes programs in a logical manner into four groups: Finance and Development, Housing Preservation, Community Renewal and Professional Services.

### ***Finance and Development***

The Office of Finance and Development aligns all programs that fund the development of affordable housing, including Low Income Housing Tax Credit programs, tax exempt and taxable bond finance programs, single family loan and Capital awards programs.

### ***Housing Preservation***

The Office of Housing Preservation includes all the programs that maintain and enhance the State's portfolio of existing affordable housing. This includes the Office of Rent Administration, the Section 8 Program, Asset Management and the Weatherization Assistance Program.

### ***Community Renewal***

The Office of Community Renewal (OCR) includes all the programs geared toward community and economic development, job creation and downtown revitalization, including the NYS Community Development Block Grant Program (CDBG), NY Main Street Program (NYMS), Affordable Housing Corporation (AHC), Neighborhood Stabilization Program (NSP), and the Neighborhood and Rural Preservation programs (collectively, the "OCR programs").

Additionally, the ***Office of Professional Services*** includes all administrative and support services, including Communications, Legal affairs, Administration, Fair Housing, Policy Development, and Accounting and Treasury.

## **Office of Community Renewal**

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In addition to AHC, the Office of Community Renewal administers the following programs:

### ***NYS Community Development Block Grant***

The NYS CDBG program provides financial assistance to eligible cities, towns, and villages with populations below 50,000 and counties with an area population under 200,000, in order to develop viable communities by providing decent, affordable housing, and suitable living environments, as well as expanding economic opportunities, principally for persons of low and moderate income. The program objectives are achieved by supporting activities or projects that: benefit low- and moderate-income families; create job opportunities for low- and moderate-income persons; prevent or eliminate slums and blight; or address a community development need that poses a serious and imminent threat to the community's health or welfare.

### ***New York Main Street***

The New York Main Street (NYMS) program provides financial resources and technical assistance to communities and not-for-profit organizations to strengthen the economic vitality of the State's traditional Main Streets and neighborhoods. The NYMS grant program provides funds from the NYS Housing Trust Fund Corporation (HTFC) to revitalize historic downtowns, mixed-use commercial districts, and village centers through targeted commercial/residential improvements such as facade and storefront renovations, interior residential building upgrades and streetscape enhancements.

### ***NYS HOME LPA***

The New York State HOME Program uses federal HOME Investment Partnership Program funds to expand the supply of decent, safe, and affordable housing within the State. HOME funds a variety of activities through partnerships with Local Program Administrators (LPAs): counties, towns, cities, villages, and community-based non-profit housing organizations. The program provides funds to acquire, rehabilitate, or construct housing, or to provide assistance to low-income home-buyers and renters. Funds must be distributed in accordance with needs and priorities identified in the State's Consolidated Plan.

### ***Access to Home***

The Access to Home Program provides financial assistance to property owners to make their own or their tenants' dwelling units accessible for low- and moderate income persons with disabilities. Providing assistance with the cost of adapting homes to meet the needs of those with disabilities will enable individuals to safely and comfortably continue to live in their residences and avoid institutional care. Grants are to be made to municipalities and eligible not-for-profit entities that have substantial experience in adapting or retrofitting homes for persons with disabilities.

### ***RESTORE***

Residential Emergency Services to Offer (Home) Repairs to the Elderly (RESTORE) Program funds may be used to pay for the cost of emergency repairs to eliminate hazardous conditions in homes owned by the elderly when the homeowners cannot afford to make the repairs in a timely fashion. Eligible homeowners must be 60 years of age or older and have a household income that does not exceed 80 percent of the area median income. Eligible program administrator applicants are not-for-profit corporations and municipalities.

### ***Neighborhood Preservation & Rural Preservation***

The Division of Housing and Community Renewal provides financial support for 208 not-for-profit community-based housing corporations to perform housing and community renewal activities statewide. These Preservation Companies provide assistance including, but not limited to, housing rehabilitation, home buyer counseling, tenant counseling, landlord/tenant mediation, community rehabilitation and renewal, crime watch programs, employment programs, legal assistance, and Main Street Development. A majority of Preservation Companies are also involved in the planning and development of capital projects including new construction and/or rehabilitation of older housing stock. Preservation Companies are located in most areas of the state and primarily serve low- and moderate-income residents, and serve areas where there are significant unmet housing needs for the low- and moderate-income population.

### ***Neighborhood Stabilization Program***

The Neighborhood Stabilization Program (NSP), administered through the Housing Finance Agency (HFA), provides financing for municipalities and developers to acquire and redevelop foreclosed, abandoned, and vacant properties. Once renovated or newly constructed, units are sold or rented to low-, moderate-, and middle-income households, with mandated long-term affordability. NSP also funds local land banking initiatives focused on foreclosed residential properties, and select demolition programs of blighted properties in targeted neighborhoods. The program, funded with Federal and State funds, targets communities most severely affected by the foreclosure and subprime crisis.

### ***National Foreclosure Mitigation Counseling (NFMC)***

The National Foreclosure Mitigation Counseling (NFMC) Program was launched in December 2007 with funds appropriated by Congress to address the nationwide foreclosure crisis by dramatically increasing the availability of housing counseling for families at risk of foreclosure. HCR is working directly with subgrantee organizations across New York State, which in turn provides counseling services to families at risk of foreclosure. Subgrantee organizations are also provided with training by NeighborWorks to ensure they can provide the best service to homeowners in our State.

### ***Urban Initiatives (UI)***

The Urban Initiatives program provides financial / technical resources to New York communities for the restoration and improvement of housing, commercial areas and public / community facilities in urban neighborhoods. This program provides grants to not-for-profit community based organizations and charitable organizations that have a direct interest in improving the health, safety and economic viability of a distressed urban neighborhood or other aspects of the area environment that are related to community preservation or renewal activities.

### ***Rural Area Revitalization Project (RARP)***

The Rural Area Revitalization Project (RARP) program provides financial/technical resources to New York communities for the restoration and improvement of housing, commercial areas and public/community facilities in rural communities. This program will provide grants to not-for-profit community based organizations and charitable organizations that have a direct interest in improving the health, safety and economic viability of a rural area or other aspects of the area environment that are related to community preservation or renewal activities.

***Greater Catskills Flood Remediation***

The Greater Catskills Flood Remediation program has provided assistance to counties in the Southern Tier and Catskill regions to purchase one- and two-family homes damaged by floods since April 1, 2004. Currently, the program has been extended for Ulster County and gives preference to the purchase and demolition of homes located within two miles of the New York City Aqueducts, which are subject to water seepage. Any remaining funds may be utilized to purchase other flood-prone homes in Ulster County. In order to qualify for the program, the home must be the primary residence of the owner, with a family income up to 150% of the Area Median Income, as defined by HUD. Homes purchased will be condemned and property will be dedicated for open space, recreational, wetlands, or flood mitigation purposes.

Please see the *Funding* section of the NYS Homes and Community Renewal website at [www.nyshcr.org](http://www.nyshcr.org) for more information on funding availability for the above-listed programs.

## Introduction

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The New York State Affordable Housing Corporation ("AHC" or the "Corporation"), a subsidiary of the New York State Housing Finance Agency ("HFA"), hereby requests Proposals ("Proposals") from eligible applicants ("Applicants") for grant funds to develop projects under AHC's Affordable Home Ownership Development Program ("AHODP" or the "Program").

Under the Program, AHC provides grants to build rehabilitate or improve homes for low and moderate income families.

The Program has two primary goals:

- *To promote home ownership among families of low and moderate income for whom there are few affordable home ownership alternatives in the private market*
- *To stimulate the development, stabilization and preservation of New York communities*

### *Distribution of Grant Funds*

AHC makes every effort to distribute grant funds throughout the State, among urban, suburban and rural communities.

### *"Applicants" and "Grantees"*

If a grant is awarded, several of the sections of this Proposal will be incorporated into AHC's grant agreement. For this reason, some of the following sections refer to the "Grantee." For the purposes of this Request for Proposals ("RFP"), the Grantee is the Applicant.

## Award of Grants

AHC reserves the right to reject any and all Proposals, negotiate with Applicants, recommend funding in an amount less than requested, conduct site visits, interview Applicants and development teams, and request additional information.

This RFP does not represent any obligation or agreement on the part of AHC. Award of grants shall be made solely by written agreement, authorized by the Members of the Corporation. The Corporation retains the right to waive any requirement contained in the RFP, subject to the applicable statutes and Program regulations. The Corporation also retains the right to revise the RFP from time to time, extend the submission due date, to not award all its funds under this RFP, and to issue subsequent RFPs. All Proposals must comply with all Federal, State and local laws and regulations.

Please note that the New York State Affordable Housing Corporation is subject to the State Smart Growth Public Infrastructure Act (Chapter 433 of the Laws of 2010) and must, to the extent applicable, make funding decisions consistent with the provisions of the Act.

## Program Regulations

The Program was developed by the State of New York. It operates under the Regulations of the Affordable Home Ownership Development Program (21B NYCRR Parts 2150 et seq) (the "Regulations"). The Regulations are included in this RFP.

**The Regulations are part of the RFP, and contain information that is not provided elsewhere. Applicants should read the Regulations carefully before completing their Proposals.**

## **AHC's Affordable Home Ownership Development Program**

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The Affordable Home Ownership Development Program (AHODP) is a state funded program administered by the New York State Affordable Housing Corporation (AHC) through New York State Homes and Community Renewal's Office of Community Renewal (OCR).

Under the Program, grants are provided to governmental, not-for-profit and charitable organizations (Grantees) to build, acquire/rehabilitate, or improve homes owned or occupied by low or moderate income owners. The homes must be located in eligible areas.

### *Eligible Grantees*

Grantees include municipalities and their designees, municipal housing authorities, housing development fund companies and other not-for-profit and charitable organizations.

### *Eligible Areas*

For the purposes of this RFP, eligible areas are those that are designated pursuant to any Federal, State or local law, rule or regulation as blighted, deteriorated or deteriorating or as having a blighting influence on the surrounding area or as being in danger of becoming a slum or blighted area. See Part II (A) Project Information & Description for a more comprehensive listing related to eligible areas.

Environmental concerns will not render a Proposal ineligible for funding, but the presence of contamination will be an important factor in AHC's consideration of the application. See Part IV: Required Forms and Certifications—SEQR/SHPA Requirements, for more information regarding restricted areas.

### *Eligible Projects*

The AHODP provides funds for three project types:

- New construction of owner-occupied homes for sale, including one-to-four family homes, condominiums, cooperatives and the replacement of dilapidated mobile homes with manufactured or stick-built homes on homeowner-owned land.
- Acquisition/rehabilitation of owner-occupied homes for sale, including one-to-four family homes, condominiums and cooperatives.
- Home improvements to existing, owner-occupied one-to-four family homes, condominiums or cooperatives

**Proposals may not include more than one type of project.** Individual proposals must be submitted for each project type. Homes rehabbed under the Program must be owner-occupied dwellings, including condominiums or cooperatives. Homes built under the Program must be sold to or owned by low or moderate income buyers, and must remain owner occupied during the Occupancy Period.

This application is for **Home Improvement Projects.**

*Eligible Purchasers*

The Program was designed to provide home ownership opportunities to families that would not otherwise be able to buy their own home. For this reason, buyers of homes that are rehabilitated using AHC grant funds must meet the income and asset limits set by the Program. Information on HUD Low Income Limits for each county in New York State is available on AHC's website at [www.nyshcr.org](http://www.nyshcr.org). For further information, see Part II (C) Management and Marketing Plans.

### **Funding Limits/Leveraging**

AHC expects Grantees to combine AHC funds with funding from other sources. In accordance with the Regulations, the extent to which the project leverages public and private investment is one of the selection criteria used by AHC in evaluating Proposals for home improvement or rehabilitation projects where there is no acquisition component, AHC funds may total up to 100% of the project cost (with a limit of \$35,000 per unit, or \$40,000 per unit when the project is in a high cost area). Please refer to our website at [www.nyshcr.org](http://www.nyshcr.org) for the current AHC High Cost Area Table. Please make sure that if the project is not utilizing any leveraging funds, it is specified in the exhibits. Projects only utilizing AHC funds will be considered but will be given a lesser priority than projects that leverage other private and public funds.

### **Uses of AHC Funds**

AHC funds for home improvement projects may be used to correct basic structural defects that threaten the health and safety of the residents, and to prolong the useful life of the home.

### **Occupancy Period/Recapture of Funds**

Each home purchased and improved under the Program must be occupied by the purchaser/owner for a certain period of time (the "Occupancy Period"). Buyers who sell their homes before the end of the Occupancy Period may be required to repay all or a portion of the grant that subsidized their home (See [Appendix I](#) for a chart showing Occupancy Periods and recapture requirements).

### **Environmental Review and Cultural Resources Assessment**

Projects must comply with the provisions of the State Environmental Quality Review Act (SEQRA) and State Historic Preservation Act (SHPA). Acquisition and rehabilitation, replacement or reconstruction of a structure or facility, in kind, on the same site identified in the State Environmental Quality Review Act as "Type II SEQR Actions" do not require environmental assessments. The Corporation's Environmental Services Unit will make the final decision as to whether a project qualifies as a Type II SEQR action. In lieu of the environmental assessment, AHC will require certifications regarding the location of the site with respect to a flood hazard area and whether the project site is listed on, or eligible for, the state and/or National Register of Historic Places (See [Part IV: Required Forms and Certifications](#)).

### **AHC Signage**

Projects utilizing AHC grant funds must erect an AHC/HCR funding identification sign at all project sites. Signs are not provided by AHC. Sign specifications can be found on AHC's website, [www.nyshcr.org](http://www.nyshcr.org).

## **Developing and Submitting Proposals**

To be considered for funding, an applicant's response to the RFP must include all required information, and must be organized according to the instructions contained in Creating the Proposal, below. Proposals must be received by the date specified in AHC's Notice of Funding Availability (NOFA). The NOFA is located on AHC's website, [www.nyshcr.org](http://www.nyshcr.org).

## **Completing the RFP Forms**

The RFP is available online from AHC's website, [www.nyshcr.org](http://www.nyshcr.org). Many of the forms that must be submitted with the Proposal can be downloaded separately from the website. The completed forms must be printed and submitted to the AHC in hard copy form, along with the other required documentation.

## **Submitting the Proposal**

Applicants must submit one original and one copy of the Proposal. The original and copy must be typed, tabbed and submitted in 3-ring binders. Non-conforming Proposals will be rejected and returned to the Applicant.

Proposals must be sent to the following address:

Mr. Dominic Martello  
Vice President  
New York State Affordable Housing Corporation  
641 Lexington Avenue  
New York, NY 10022

## **Selection Criteria**

AHC expects that funds will not be available to support every Proposal received in response to this RFP. All Proposals received will be reviewed by AHC staff for completeness and compliance with Regulations. Based on the availability of funds, acceptable Proposals will be presented to the Members of the Corporation for authorization of grant funds.

Criteria used for review include, but are not limited to, the following:

- *Consistency with Program objectives*
- *Compliance with Buyer Income Eligibility Guidelines*
- *Cost/leveraging public and private funds*
- *Readiness to proceed*
- *Expertise of development team*
- *Design of project*

(For more information regarding selection criteria, see [Section 2165.1 - Selection Factors](#))

### **The Appropriation**

The New York State Legislature appropriated the funds used in the Program. Municipal government-sponsored, not-for-profit, charitable and private entities from throughout the State respond to the RFP issued by AHC.

### **For More Information**

Contact information for specific situations is noted throughout the RFP.

General information may be obtained by calling the AHC Project Manager for the region in which the project will be located. (See Appendix II for a State Regional List.)

Project Manager Referral:  
(212) 872-0438

## Creating the Proposal

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Acceptable Proposals must be organized into six parts according to the following outline, and must include all information, documentation, and certifications called for in the following pages.

### Parts of the Proposal

- Part I: Certifications: All Certifications must be signed by authorized representatives
- Part II: Grant Exhibits
- *Project Information & Description*
  - *Financial Plan*
  - *Management and Marketing Plans*
  - *Project Status and Schedule of Events*
  - *Cash Drawdown Schedule*
  - *Temporary Relocation Plan*
  - *Equal Employment Opportunity Agreement*
  - *MBE/WBE Utilization Plan*
- Part III: Applicant/Development Team Information
- Part IV: Environmental Requirements: State Environmental Quality Review Act (SEQRA) and State Historic Preservation Act (SHPA) Requirements
- Part V: Supplemental Documentation
- *Agreements between Grantee and Participating Parties*
  - *Commitments - Non AHC Sources*
  - *Homeowner Warranty*
  - *Insurance*
  - *Market Information (demonstrating there are homes available for this program)*
  - *Other*
- Part VI: Checklist: Applicants should carefully review and complete the checklist. Failure to include required information or documentation may result in a delay in processing the Proposal, or the rejection of a Proposal.

### Documentation

Along with the required forms and narrative descriptions, various forms of documentation are called for in various sections of the Proposal. Required documentation is indicated by *italicized text* throughout the following sections.

Please note that if you are submitting more than one application, regardless of type, certain documents may only need to be submitted once (*e.g.*, applicant staff resumes, financial statements). These are noted on the document checklist.

## **PART I CERTIFICATIONS**

The Applicant Certification and Omnibus Certification on the following pages must be signed by authorized representatives.

- *The Applicant Certification must be executed by the chief executive officer of the Applicant/Grantee.*

**APPLICANT CERTIFICATION**

On behalf of the Applicant, the undersigned hereby certifies that all of the information and supporting documentation contained in this Proposal in response to the Affordable Housing Corporation’s Request for Proposal is correct, complete and accurate, and acknowledges that falsification of information is classified as a felony, and violators will be subject to prosecution.

The undersigned further recognizes and accepts the responsibility and obligation to notify the NYS Affordable Housing Corporation, in writing, if he/she becomes aware of any subsequent events or information which would change any statements or representations previously submitted to AHC.

The undersigned further certifies that he/she will comply with all rules, regulations, statutory requirements and conflict of interest policies of the AHC and accepts the administrative, programmatic and reporting responsibilities under this program.

The undersigned further certifies that the project is not located in a jurisdiction in which there is a court decision or court entered plan to address housing desegregation or remedy some other violation of law. If the project is located in such a jurisdiction, evidence is attached, in the form of a document from the jurisdiction, to the effect that the project is consistent with such decision or court-entered plan.

The undersigned further certifies that no member of the Board of Directors or staff member of the Applicant will directly or indirectly benefit financially from or participate in the proposed project. Any matter regarding any potential conflict of interest or appearance of impropriety arising in connection with this project has been set forth and disclosed.

The undersigned further certifies that he/she will comply fully and without delay with any request from AHC or its representatives or from any public investigatory agency with jurisdiction over the Project or Program, for cooperation with any investigation or inquiry regarding the Project or Program. Such cooperation will include, but not be limited to, providing AHC staff or its duly authorized representatives and authorized personnel of any public investigatory agency with jurisdiction over the Project or Program with reasonable access to the Project site and to the Applicant’s personnel and premises, and to its files, papers, notes, and computer records and copies thereof that pertain to the Project or Program.

In addition, each contract or agreement made in connection herewith, between the Applicant and a participating party involved in the Project, such as, but not limited to, a builder, contractor, or developer, shall contain provisions substantially equivalent to the requirements set forth in this Request for Proposals, obligating each such participating party to provide cooperation and access to AHC staff and investigative agency personnel in the course of their duties with respect to the Project and Program.

<b>Name:</b> _____ <b>Title:</b> _____ <b>Date (mm/dd/yyyy):</b> _____
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*(signature required)* **SIGNATURE:** \_\_\_\_\_

## **PART II (A) PROJECT INFORMATION & DESCRIPTION**

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Please complete all sections as completely as possible.

### **SECTION 1: Grantee Information:**

Organization Name:	_____
Address:	_____
City/State/Zip:	_____
EIN #:	_____
URL:	_____
Date of Incorporation:	_____
County:	_____
Phone:	_____
Fax:	_____
CEO/Exec. Director:	_____
Contact Person:	_____
Title:	_____
E-mail:	_____

### **Grantee Type (Check all that Apply):**

- Municipality
- Municipal Housing Authority
- Housing Development Fund Company (PHFL Article 11)
- Not-for-Profit Corporation
- Charitable Organization
- Rural Preservation Company (PHFL Article 17)
- Neighborhood Preservation Company (PHFL Article 16)
- Designee of Municipality, as defined in Section 2160.2(d) of the Program Regulations  
(Please submit an Opinion of Counsel letter verifying eligibility)

Name of Municipality: \_\_\_\_\_

**SECTION 2: Project Information**

Project Name: _____	County(ies): _____
Region: _____	<u>[Select Region]</u>

**Assembly and Senate Districts**

*District Type*                      *District Number*                      *Member's Name*

NYS Assembly:	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
NYS Senate:	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____

**Project Area Designation (check all that apply)**

- Areas designated by municipality as blighted, deteriorated, or deteriorating or has a blighting influence on the surrounding areas or is in danger of becoming a slum or blighted area
- Urban Renewal Area
- HUD Designated Area/SONYMA Target Area
- Neighborhood Preservation Company Service Area
- Rural Preservation Company Service Area
- Area in which at least 70 percent of the families have an income which is 80 percent or less of the HUD Statewide Median Family Income
- Other: \_\_\_\_\_

*Provide evidence of the project area designation, pursuant to any federal, state or local laws, rules or regulations.*

## **SECTION 3: Project Narrative Description**

### **Home Improvement**

Provide a narrative description of the Project, include details of the existing neighborhood housing stock, its average age and general condition. Explain the need for the grant and the difficulties in obtaining private financing for the proposed improvements. Describe the targeted population.

[click here to insert text]

**SECTION 4: Project Type**

Home Improvement

**Indicate the number of structures by type, number of owner occupied units, and rental units.**

<b>Type</b>	<b>Number of Structure(s)</b>	<b>Owner Occupied Units</b>	<b>Rental Units</b>	<b>Total Units</b>
1 Family				
2 Family				
3 Family				
4 Family				
Cooperative				
Condominium				
<i>Total</i>				

**List each county and region in which the Project is located. Specify the number of units and the total amount of funds by county.**

<b>County</b>	<b>Region</b>	<b>Units</b>	<b>AHC Funds</b>
	[Select Region]		
<b>Total:</b>			

## SECTION 5: Site Information

### Home Improvement Projects

Provide the following information:

- *Number of homes proposed for improvement*
- *Types of improvements proposed (structural, safety and code upgrades, roofs, windows, heating systems, etc.)*
- *Estimated range of costs*
- *Include sufficient photos to provide a representative sampling of the existing condition of the homes*

### Site Control, Zoning and Demographic Information

(Provide separate information in this section for each site. Add more pages if necessary.)

1. Block and Lot: \_\_\_\_\_  
Census Tract: \_\_\_\_\_  
Size of Site (Acres): \_\_\_\_\_
2. Form of site control:    Option    Contract    Deed  
Date of Acquisition (Actual or Projected): \_\_\_\_\_  
Acquisition Cost: \_\_\_\_\_  
Expiration Date of Option or Contract: \_\_\_\_\_  
*Attach copy of site control document*
3. Does current zoning allow for the proposed use?                    Yes                    No  
If zoning must be amended, has an application been filed?            Yes                    No  
With whom & when filed?: \_\_\_\_\_  
When is approval anticipated?: \_\_\_\_\_
4. Has the town, city, or county reviewed & approved the site?            Yes                    No  
*If yes, attach copy of the official resolution.*  
Has Department of Health approval been given?                    Yes                    No  
*If yes, attach copy of approval.*

5. Provide the following neighborhood data:

- a) Land Use Mix:
  - Residential: \_\_\_\_\_ %
  - Commercial: \_\_\_\_\_ %
  - Industrial: \_\_\_\_\_ %
  - Open: \_\_\_\_\_ %
  
- b) Housing Stock Mix:
  - 1 to 4 unit buildings: \_\_\_\_\_ %
  - Smaller than 50 units/bldg: \_\_\_\_\_ %
  - Larger than 50 units/bldg: \_\_\_\_\_ %
  
- c) Percent Abandoned Housing Stock:
  - Same block as proposed site: \_\_\_\_\_ %
  - Within two blocks of site: \_\_\_\_\_ %
  
- d) Average Age of Housing Stock:
  - 10 years old or less: \_\_\_\_\_ %
  - 11 to 40 yrs. old: \_\_\_\_\_ %
  - Over 40 yrs. old: \_\_\_\_\_ %
  
- e) Housing Characteristics:
  - Owner Occupied: \_\_\_\_\_ %
  - Rented: \_\_\_\_\_ %

**SECTION 6: Home Improvement Projects**

Provide a list of the properties, their location, and proposed scope of work and cost of each home improvement (if available). AHC recognizes that these funds are often utilized for emergency and unanticipated repairs and the listed properties are an estimate and may require changes or substitutions at a later date. If no waiting list exists, provide an explanation.

Name of Home Owner	Address	County	County Median Income	Home Owner Income	Home Owner % of Median	Proposed Improvements	Est. Cost
<b>Total</b>							<b>\$</b>

**PART II (B) FINANCIAL PLAN**

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**SECTION 1: Sources**

In this section the Applicant must describe all sources of public and private funds that will be used to finance the Project. The Applicant must describe all sources of permanent and construction financing.

The Proposal must include the following information for each source of public or private funds:

*Include a narrative description of the financing structure for this proposal, including detail of all sources (names, providers, administrators), their terms (length, payment, interest rate) and limitations (loans, grants, donations, geographic and how the money must be used).*

*Describe all deadlines or other information which might impact the proposed project.*

- A. Total AHC Subsidy Funds requested:** \$\_\_\_\_\_
- Construction amount** \$\_\_\_\_\_ (100% of the funds requested unless Admin/Operating expenses are also being requested)
- Administrative/Operating Expenses amount** \$\_\_\_\_\_ (can be no more than 10% of the Total AHC Subsidy Funds requested)

**B. OCR Co-Funding:**

*Indicate all additional sources of OCR funding being applied for. If funding has already been approved or received, please provide date of approval and copy of commitment letter:*

- Access to Home Already awarded?  Yes  No

If yes, provide the following:

SHARS ID: \_\_\_\_\_  
Award Date: \_\_\_\_\_  
Expiration Date: \_\_\_\_\_

If no, provide the Application Date: \_\_\_\_\_

- Community Development Block Grant (CDBG) Already awarded?  Yes  No

If yes, provide the following:

SHARS ID: \_\_\_\_\_  
Award Date: \_\_\_\_\_  
Expiration Date: \_\_\_\_\_

If no, provide the Application Date: \_\_\_\_\_

HOME Already awarded?  Yes  No

If yes, provide the following:

SHARS ID: \_\_\_\_\_

Award Date: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

If no, provide the Application Date: \_\_\_\_\_

New York Main Street Already awarded?  Yes  No

If yes, provide the following:

SHARS ID: \_\_\_\_\_

Award Date: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

If no, provide the Application Date: \_\_\_\_\_

RESTORE Already awarded?  Yes  No

If yes, provide the following:

SHARS ID: \_\_\_\_\_

Award Date: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

If no, provide the Application Date: \_\_\_\_\_

Rural Area Revitalization Project (RARP) Already awarded?  Yes  No

If yes, provide the following:

SHARS ID: \_\_\_\_\_

Award Date: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

If no, provide the Application Date: \_\_\_\_\_

Urban Initiatives (UI)      Already awarded?       Yes       No

If yes, provide the following:

SHARS ID: \_\_\_\_\_

Award Date: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

If no, provide the Application Date: \_\_\_\_\_

**C. Other Sources:**

*Please include any OCR funds as indicated in Part B above, if applicable.*

1. Other Public Funds:      Status of Funds:      Amount:

a. _____	_____	\$ _____
b. _____	_____	\$ _____
c. _____	_____	\$ _____
d. _____	_____	\$ _____
e. _____	_____	\$ _____

Total Other Public Funds: \$ \_\_\_\_\_

2. Private Funds:      Status of Funds:      Amount:

a. _____	_____	\$ _____
b. _____	_____	\$ _____
c. _____	_____	\$ _____
d. _____	_____	\$ _____
e. _____	_____	\$ _____

Total Private Funds: \$ \_\_\_\_\_

Total Other Sources (C1+C2): \$ \_\_\_\_\_

**D. Total Sources (A + C, above):**      \$ \_\_\_\_\_

**E. AHC Percent of Total (AHC ÷ Total Sources): \_\_\_\_\_ %**

**F. Leverage Ratio (Total Sources ÷ AHC): \_\_\_\_\_**

**G. Estimated Average AHC/Unit Cost:**  
(AHC funds ÷ Total Units)            \$ \_\_\_\_\_ /unit

**SECTION 2: Uses**

**A. Home Improvement Budget:**

	<b>Total</b>	<b>Per Unit</b>
1. Permits	\$ _____	\$ _____
2. Architect/Engineer Fees		
3. Construction Costs		
a) Labor		
b) Material		
Subtotal		
4. Sweat Equity* (if applicable)		
5. Operating Expenses		
6. Other		
<b>Total</b>	<b>\$ _____</b>	<b>\$ _____</b>

**\* Note: Explain how the value of Sweat Equity is determined:**  
[\[click here to enter text\]](#)

**B. Home Improvement (HI) Range of Costs**

1. Average AHC Subsidy: \$ \_\_\_\_\_
2. Range of AHC Subsidy: \$ \_\_\_\_\_ to \$ \_\_\_\_\_ \_\_\_\_\_ %
3. Average Other Sources: \$ \_\_\_\_\_
4. Range of Other Sources: \$ \_\_\_\_\_ to \$ \_\_\_\_\_ \_\_\_\_\_ %
5. Average HI Cost: \$ \_\_\_\_\_
6. Range of Typical HI Cost: \$ \_\_\_\_\_ to \$ \_\_\_\_\_ 100%
7. Total Project Cost: \$ \_\_\_\_\_  
 Divided by Est. Number of Units: \_\_\_\_\_  
 Estimated Average Cost/Unit: \$ \_\_\_\_\_

---

**Grantee Operating Expenses & Developer/Contractor Profit**

- **10% Administrative Allowance**

Up to ten percent (10%) of the AHC funds may be used for Grantee operating expenses, including expenses related to the organization, operating support and administration of the project.

- This amount is included in the development budget as a line item under Soft Costs.
- This amount should be secured by AHC Note and Mortgages.

- **3% NPC/RPC Administrative Allowance**

AHC funds of three percent (3% of the total AHC funds requested, above and beyond the total AHC request, not to exceed \$40,000) may be used for the administrative expenses identified above, if the Grantee is a Neighborhood Preservation Company (NPC) or Rural Preservation Company (RPC).

- This amount is not included in the development budget. It is above and beyond the total AHC request for the project.

Project Type	NPC/RPC Eligible Grantee	non-NPC/RPC Eligible Grantee
<b>Home Improvement</b>	<ul style="list-style-type: none"> <li>• ≤ 10% administrative allowance</li> <li>• 3% NPC/RPC administrative allowance (max of \$40,000)</li> </ul>	<ul style="list-style-type: none"> <li>• ≤ 10% administrative allowance</li> </ul>

**\*Note that the Grantee may also be the Developer/Contractor for certain projects.**

### SECTION 3: Operations Budget

#### A. Grantee Administrative Budget

Up to ten percent (10%) of the AHC funds may be used for Grantee operating expenses, including expenses related to the organization, operating support and administration of the Project.

These funds should be included in the Home Improvement Budget (Section 2A, under “Operating Expenses”). These funds should be secured by homeowner notes and mortgages.

	<b>Costs</b>	<b>Source of Funding</b>	
Staff	\$ _____	_____	_____ %
Consultants	\$ _____	_____	_____ %
Overhead	\$ _____	_____	_____ %
Other	\$ _____	_____	_____ %
<b>Total</b>	<b>\$ _____</b>		<b>_____ %</b>

#### B. Neighborhood & Rural Preservation Companies: Technical Services & Assistance

Additional AHC funds of three percent (3% of the total AHC funds requested, above and beyond the total AHC request, not to exceed \$40,000) may be used for the administrative expenses identified above, if the Grantee is a Neighborhood Preservation Company (NPC) or Rural Preservation Company (RPC). NPCs and RPCs will be required to execute a certification of their status when the grant agreement is executed.

**The following statement must be executed along with the Grant Agreement:**

<p><b>Neighborhood Preservation Companies/ Rural Preservation Companies Certification</b></p> <p>The Grantee hereby represents that it, (or a participating party known as _____ with an office at _____ , is a <input type="checkbox"/> Neighborhood Preservation Corporation, or a <input type="checkbox"/> Rural Preservation Corporation, and is entitled to receive additional funds pursuant to Section 906 or Section 1006 of the Private Finance Law.</p>
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## **PART II (C) MANAGEMENT AND MARKETING PLANS**

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The Program Management and Marketing Plans (the "Plans") must comply with the Regulations in all material respects. Certain services or activities of the Plans may be delegated to participating parties (see below), but the Grantee remains responsible for the implementation of the Plan and oversight of the entire Project.

### **Section 1: Program Management Plan**

The Program Management Plan must include the services described below. Other services may also be included in a Management Plan. Proposal must include detailed descriptions of all services and activities to be performed under the Program Management Plan.

#### **Participating Parties**

If any service is to be delegated to a participating party, identify the participating party and provide information regarding the participating party in Section 2.

At minimum, the Program Management Plan must include the following:

#### **A. General Program Operations**

General Operations include supervision and staffing, preparation and submission of quarterly progress reports, annual summary reports, and maintenance of records, which are to be retained until the Occupancy Period has elapsed. (See Appendix I for information regarding the Occupancy Period for each project type.)

#### **B. Applicant Income and Asset Qualification, Screening and Selection**

Homeowners who receive AHC funds for home improvement must meet the income and asset limits set by the Program. In addition, the Grantee must ensure that the Plan provides the minimum amount of AHC funds necessary to make the home improvement affordable to low or moderate income buyers.

##### **1. Income**

The purpose of the Program is to promote continued home ownership by persons of low and moderate income, which, in turn, promotes the development, stabilization and preservation of neighborhoods and communities. This means that the Program employs a system of income targeting designed to ensure that the persons or families who benefit from financial assistance under the Program would, through the ordinary, unaided operation of private enterprise, be unable to own their own homes.

*Buyers must include federal tax returns and W-2s for the last two years and employee pay stubs for the two most recent pay periods. Grantee must then make a reasonable determination of buyer's annual income, including estimates of variable income, such as bonuses and overtime.*

**2. Assets**

Household assets include any down payment deposit, monies in savings or checking accounts, certificates of deposit, stocks and bonds, and the value of any real property, less outstanding debt.

Combined household assets must be within the following guidelines:

Home Improvement: Household assets should be limited to \$15,000. The value of real (primary) property is not included when computing assets for home improvement projects.

*Buyers must provide a certification disclosing the household's total assets.*

**3. Alternative Asset Tests**

If the Grantee wishes to use an alternative asset limit test, details about the test and justification for substituting the alternative must be supplied within the application. Such alternative test is subject to the approval of AHC.

**C. Construction Work Plan**

Grantee must perform a qualification review and selection process for contractor(s)/builder(s), and other providers; prepare specifications or project scope of work; evaluate the performance of all contractors; inspect and monitor construction; and perform other technical services.

**D. Financial Management and Accounting**

Grantee must develop procedures for receiving, maintaining and disbursing AHC Funds; compliance with terms and conditions of all funding and financing, both interim and permanent; and procedures for returning unused funds or Program income. AHC Funds are released at mortgage closing in the form of a two-party check, payable to the Owner and Grantee.

*AHC Funds must be received and maintained exclusively in an interest-bearing, FDIC-insured account where the balance must not exceed \$100,000.*

**E. Compliance with AHC Regulations and Requirements**

Compliance with AHC Regulations and Requirements must include, but is not limited to, all AHC required reporting, both scheduled and as needed and the execution and supervision of contracts with participating parties.

**F. Address Home Owner Complaints**

Grantee must develop procedures for processing and resolving home owner complaints against the builder/contractor.

**G. Comply with AHC Mortgage Execution and Recording Procedures**

Mortgage and note must be executed and recorded in accordance with AHC Mortgage Recording Guidelines that are provided to each Grantee. According to New York state law, AHC is exempt from the mortgage recording tax. Grantees can obtain more information from their AHC Project Manager.

**H. Establish and Monitor Recapture Requirements**

Monitor homeowner occupancy and ensure the recapture of AHC funds if the purchaser fails to occupy the home during the Occupancy Period. The Management Plan's recapture provisions must be in accordance with the Regulations, in particular Section 2163.2 Minimum Program Requirements.

## Delegating Portions of the Management Plan to Others

If any service is to be delegated to a participating party, identify the participating party in this section, and provide information regarding the participating party in Section 2, below.

### Section 2: Participating Parties

Participating parties include, but are not limited to, the developer/contractor, builder, housing consultant, architect, engineer, attorney, construction monitor, community group, and land owner.

**The Applicant must provide COMPLETE information for ALL participating parties:**

**\*\*\*Note: Participating parties do NOT include the Applicant. Information for the Applicant is to be provided under Part II(A) Grantee Information**

*Provide the following information for the developer/contractor:*

- ***Full birth name, including middle initial***
- ***Residential address***
- ***Names of principals, officers, board of directors, and technical staff***
- ***Indicate whether developer/contractor has worked with AHC or the Applicant, and provide detailed information***
- ***Provide a corporate resume and individual resumes for all principals and all staff that will be directly involved in the Project***

*Provide the following information for all other participating parties:*

### Participating Parties

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

EIN#: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Staff Participating (list all): \_\_\_\_\_

*(Attach corporate & individual resumes for all principals & staff directly involved with project)*

Principal (provide full birth name): \_\_\_\_\_

Residential Address: \_\_\_\_\_

Principal (provide full birth name): \_\_\_\_\_

Residential Address: \_\_\_\_\_

**Other Parties:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
EIN#: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Role in Project: \_\_\_\_\_

*(Attach full description of services to be performed)*

Staff Participating (list all): \_\_\_\_\_

*(Attach corporate & individual resumes for all principals & staff directly involved with project)*

Principal (provide full birth name): \_\_\_\_\_  
Residential Address: \_\_\_\_\_

Principal (provide full birth name): \_\_\_\_\_  
Residential Address: \_\_\_\_\_

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
EIN#: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Role in Project: \_\_\_\_\_

*(Attach full description of services to be performed)*

Staff Participating (list all): \_\_\_\_\_

*(Attach corporate & individual resumes for all principals & staff directly involved with project)*

Principal (provide full birth name): \_\_\_\_\_  
Residential Address: \_\_\_\_\_

Principal (provide full birth name): \_\_\_\_\_  
Residential Address: \_\_\_\_\_

\_\_\_\_\_

## Section 3: Marketing Plan

### Marketing Plan

Provide a marketing plan that includes the following:

- *Affirmative fair housing and marketing*
- *Outreach, screening and selection process*
- *Plans for publicizing AHC's role in the Project*
- *File maintenance, including turned down applicants*

### Marketing Staff

Identify staff and/or participating parties that will carry out the marketing plan.

*Provide a copy of the Marketing Plan, including affirmative fair housing strategies, selection plan, income criteria according to family size, complete advertising information (including publicity regarding AHC's participation in the Project) and timetable.*

*Provide complete information regarding staff and/or participating parties that will carry out the Marketing Plan.*

*Provide plans for publicizing AHC's participation in the Project.*

### Income Limits

The Grantee must develop criteria, satisfactory to AHC, that provide for maximum income limitations or a system of income targeting. The criteria must ensure that persons who purchase or improve homes using financial assistance provided by AHC would be unable to purchase or improve homes through the ordinary, unaided operation of private enterprise.

### Income Criteria

Grantees must adhere to the following tiered structure for award amounts per unit:

- *Maximum of \$35,000 (or \$40,000 in high cost areas) per unit for households at or below 112% of HUD's Low Income Limit (approximately 90% of the Area Median Income, or "AMI"), adjusted for family size.*
- *Maximum of \$27,500 (or \$32,500 in high cost areas) per unit for households at or below 137% of HUD's Low Income Limit (approximately 110% of the Area Median Income, or "AMI"), adjusted for family size.*
- *Awards of up to \$20,000 (or \$25,000 in high cost areas) per unit for households with incomes greater than 137% of HUD's Low Income Limit (approximately 130% of the Area Median Income, or "AMI"), adjusted for family size, and subject to approval from AHC.*

## **Advertising**

Provide information regarding planned advertising for the project. Include detailed description of advertising in all applicable media:

- *Internet*
  
- *Radio*
  
- *Television*
  
- *Newspapers*
  
- *Other Advertising/Marketing*

## Marketing Timetable

Provide a schedule of marketing activities, by month, for the duration of the marketing plan.

## Publicizing AHC's Contribution

An AHC sign must be prominently posted at the site of the Project, and AHC's contribution to the project should be part of all marketing and media campaigns.

Provide details of the plan for displaying AHC Project sign and noting AHC's contribution in other media to be employed in connection with publicizing the Project.

Signs are not provided by AHC. Sign specifications can be found on AHC's website, [www.nyshcr.org](http://www.nyshcr.org).

## Section 4: Preferences

Proposals may include preferences or priorities for homebuyers. For example, a Project may be initially marketed to buyers who currently live in the Project area, to seniors, veterans, or municipal workers. These preferences may affect the solicitation of applications, selection and qualification of buyers, marketing, and/or allocation and distribution of grant funds.

The preference period should be limited to no more than six months from the start of marketing efforts, and buyers who qualify for the preference must meet all income and asset requirements.

The Proposal must include the following information regarding preferences, if applicable:

- *Provide details of any marketing preference or priority. Identify the community requesting the preference*
- *Describe the preference being sought*
- *Explain the need for the preference*
- *Describe the percentage of units that will be reserved during the preference period*

*Provide all required information regarding preferences.*

*Provide the following documents:*

- *Letter from the municipality supporting the preference.*
- *An opinion letter from counsel, satisfactory to AHC in its sole discretion, stating that the preference does not violate any anti-discrimination or fair housing laws.*

## Alternate Preference Systems

If an alternative preference system is proposed, the Applicant must provide details and justification.

## **PART II (D) Project Status and Schedule of Activities**

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Readiness to proceed with the Project is one of the criteria AHC uses in awarding grants. Provide a narrative detailing the timeline and landmark dates from the beginning of the development process to project completion, and the current status of the Project. Also explain the role and authority of each entity involved in the process. Please include all approvals required, how often the applicable authorities meet and how much lead times those entities need for reviewing material prior to voting. Also note the dates which you expect to have this project reviewed and signed off by each individual entity in the process.

- *Landmark due dates such as time frames for receiving approvals, permits and commitments*
- *An explanation of the review times and submission due dates for approvals, permits and commitments*
- *The status of required approvals, permits and commitments*
- *Strategies to ensure timely completion of project*
- *Schedule of Activities (See the example on the following page)*

**SCHEDULE OF ACTIVITIES**

Grantee: \_\_\_\_\_  
 Project Name: \_\_\_\_\_

**Milestone Dates\***  
 Home Improvement Start: \_\_\_\_\_  
 Home Improvement Complete: \_\_\_\_\_  
 Project Completion: \_\_\_\_\_  
 Total Project Closeout: **6 months after Project Completion**

*Note: Add/Edit Activities as needed*

Activity	Planned Start Date	Planned Finish Date	Quarters																
			Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15	Q16	
Marketing/Outreach			<input type="checkbox"/>																
			<input type="checkbox"/>																
Applications			<input type="checkbox"/>																
			<input type="checkbox"/>																
Awards			<input type="checkbox"/>																
			<input type="checkbox"/>																
Contracts			<input type="checkbox"/>																
			<input type="checkbox"/>																
Rehabilitation			<input type="checkbox"/>																
			<input type="checkbox"/>																
Closeout			<input type="checkbox"/>																
			<input type="checkbox"/>																
			<input type="checkbox"/>																

**PART II (E) CASH DRAWDOWN SCHEDULE**

---

Provide an anticipated monthly schedule of funding requirements for AHC and all other funds.

Grantee: \_\_\_\_\_

Project Name: \_\_\_\_\_

*Amount required for each month (\$):*

Source	Source Total Amount (\$)	1	2	3	4	5	6	7	8	9	10	11	12	Project Total (\$)
<b>Monthly Total (\$)</b>														\$

Schedule continued on following page

Grantee: \_\_\_\_\_

Project Name: \_\_\_\_\_

*Amount required for each month (\$):*

Source	Source Total Amount (\$)	13	14	15	16	17	18	19	20	21	22	23	24	Project Total (\$)
<b>Monthly Total (\$)</b>														\$

## **PART II (F) Temporary Relocation Plan**

---

The Project must not result in the permanent displacement of low or moderate income residents. Any temporary relocation of residents must be carried out in accordance with a temporary relocation plan that conforms to the requirements of the Regulations.

- Residents that are temporarily relocated must be offered a decent, safe and sanitary dwelling unit in the Project or another property comparable to the tenant's affected unit. In the event that the Project involves a broad geographic area, the unit to be offered must be located in close proximity to the affected unit, as such proximity is determined in the sole opinion of AHC.
- The cost for rent and utilities for the unit offered to relocated tenants must not exceed the greater of the tenant's cost for rent and utilities at the time that a grant agreement is executed or 30 percent of the tenant's gross household income.

### **Provide the following:**

- *The number of low and moderate income families and individuals that must be relocated during the development of the Project.*
- *A temporary relocation plan that meets the requirements stated above.*
- *Procedures to ensure the affordability of completed units to existing tenants.*

## **PART II (G) & (H) EQUAL OPPORTUNITY REQUIREMENTS**

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It is the policy of AHC to actively and affirmatively promote and assist equal employment opportunities for women and members of minority groups; and the fair participation of minority and women-owned business enterprises in all aspects of development and construction relating to projects financed by AHC.

In order to implement this policy, AHC has established the following requirements for all construction projects financed by AHC:

- *The Grantee and its contractors must comply with all applicable state and federal laws and regulations regarding economic opportunity and equal employment opportunity.*
- *As a condition of funding, the Grantee is required to sign an Equal Employment Opportunity Agreement. The Agreement, which is attached, establishes the minority and female employment goals for the area where the project is located and the workforce reporting requirements.*
- *As a condition of funding, the Grantee is required to submit and have approved by OEOPD a Minority and Women-owned Business Utilization Plan. The plan can be found at <http://www.nyshcr.org/Forms/FairHousing/UtilizationPlan.xlsm> Amended plans may be submitted for review.*
- *In cases where construction has commenced prior to the submission of your application to AHC, the foregoing requirements will be appropriately reviewed by OEOPD.*

Applicants must complete and sign the Equal Employment Opportunity (EEO) Agreement and the Minority and Women-Owned Business (M/WBE) agreement, omitting or deleting sections as may be necessary and appropriate with respect to the Project. All modifications to the EEO agreement or M/WBE Agreement must be acceptable to AHC and OEOPD, in its sole discretion (If funds for the Project are granted, the Identification Number will be provided by AHC).

Information on MWBE compliance and instruction on filling out the Article 15A, MWBE Compliance forms may be found on our links below:

<http://www.nyshcr.org/aboutus/offices/oeopd/AHC-Compliance.docx>

## **Grantee Compliance Requirements**

Report quarterly to HCR's Office of Economic Opportunity & Partnership Development (OEOPD) on the 5<sup>th</sup> day of the month following the end of each quarter:

### **MWBE Quarterly Reporting Schedule**

<b>Quarter</b>	<b>Reporting Period (Payments Made)</b>	<b>Due Date</b>
1 <sup>st</sup>	April 1-June 30	July 5 <sup>th</sup>
2 <sup>nd</sup>	July 1-September 30	October 5 <sup>th</sup>
3 <sup>rd</sup>	October 1-December 31	January 5 <sup>th</sup>
4 <sup>th</sup>	January 1-March 31	April 5 <sup>th</sup>

**EXHIBITS G & H**

**MINORITY AND WOMEN-OWNED  
BUSINESS UTILIZATION AND  
SERVICE-DISABLED VETERAN-OWNED  
BUSINESS AGREEMENT**

This **MINORITY AND WOMEN-OWNED BUSINESS UTILIZATION AND SERVICE-DISABLED VETERAN-OWNED BUSINESS AGREEMENT** (“Agreement”) is entered into as of \_\_\_\_\_, 201\_, by and among \_\_\_\_\_ (“General Contractor”), having a principal place of business at \_\_\_\_\_, NY \_\_\_\_\_, and \_\_\_\_\_ (“Owner” or “Grantee”), having a principal place of residence/business at \_\_\_\_\_, NY \_\_\_\_\_, and the New York State Affordable Housing Corporation (“Agency”), a public benefit corporation having its principal place of business at 641 Lexington Ave., New York 10022.

**W I T N E S S E T H:**

WHEREAS, Owner/Grantee has contracted with General Contractor to construct and/or rehabilitate a property at \_\_\_\_\_NY\_\_\_\_\_ a part of AHC Project\_\_\_\_\_ located in \_\_\_\_\_ County, New York; and

WHEREAS, the Project is to receive financing from the Agency (“Agency Financing”), and the Agency requires as a condition of its financing the meaningful participation of Minority and Women owned Business Enterprises and Service-Disabled Veteran-Owned Businesses in the development of Agency-financed projects;

NOW, THEREFORE, the parties agree as follows:

**DEFINITIONS**

(A) Minority or Minorities shall mean:

- (1) Black persons having origins in any of the Black African racial groups;
- (2) Hispanic persons of Mexican, Dominican, Puerto Rican, Cuban, Central or South American of either Indian or Hispanic origin, regardless of race;
- (3) Asian and Pacific Islander persons having origins in any of the Far East countries, Southeast Asia, the Indian subcontinent, or the Pacific Islands;

- (4) Native American or Alaskan Native persons having origins in any of the original peoples of North America.

(B) Minority Business Enterprise (“MBE”) shall mean a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation that is:

- (1) At least fifty-one percent owned by one or more minority group members;
- (2) An enterprise in which such minority ownership is real, substantial and continuing;
- (3) An enterprise in which such minority ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise; and
- (4) An enterprise authorized to do business in this State and independently owned and operated.

(C) Women-owned Business Enterprise (“WBE”) shall mean a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation that is:

- (1) At least fifty-one percent owned by one or more United States citizens or permanent resident aliens who are women;
- (2) An enterprise in which the ownership interest of such women is real, substantial and continuing;
- (3) An enterprise in which women ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise; and
- (4) An enterprise authorized to do business in this State and independently owned and operated.

(D) Service-Disabled Veteran-Owned Business (“SDVOB”) shall mean a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation that is:

- (1) at least fifty-one percent owned by one or more Service-Disabled Veterans;
- (2) an enterprise in which such Service-Disabled Veteran ownership is real, substantial, and continuing;
- (3) an enterprise in which such Service-Disabled Veteran ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise;
- (4) an enterprise authorized to do business in this state and is independently-owned and operated;

- (5) an enterprise that is a small business which has a significant business presence in the state, not dominant in its field and employs, based on its industry, a certain number of persons as determined by the Director of the Division of Service-Disabled Veterans' Business Development of the New York State Office of General Services ("Director"), but not to exceed three hundred, taking into consideration factors which include, but are not limited to, federal small business administration standards pursuant to 13 Code of Federal Regulations part 121 and any amendments thereto; and
- (6) certified by the New York State Office of General Services.

(E) Service-Disabled Veteran shall mean:

- (1) in the case of the United States army, navy, air force, marines, coast guard, army national guard or air national guard and/or reserves thereof, a Veteran who received a compensation rating of ten percent or greater from the United States Department of Veterans Affairs or from the United States Department of Defense because of a service-connected disability incurred in the line of duty; and
- (2) in the case of the New York guard or the New York naval militia and/or reserves thereof, a Veteran who certifies, pursuant to the rules and regulations promulgated by the Director, to having incurred an injury equivalent to a compensation rating of ten percent or greater from the United States Department of Veterans Affairs or from the United States Department of Defense because of a service-connected disability incurred in the line of duty.

(F) Veteran shall mean a person who served in and who has received an honorable or general discharge from, the United States army, navy, air force, marines, coast guard, and/or reserves thereof, and/or in the army national guard, air national guard, New York guard and/or the New York naval militia.

*\* For the Owner and/or the General Contractor's convenience, MWBE and SDVOB participation is captured on the forms or attachments enclosed herein.*

#### EQUAL BUSINESS OPPORTUNITY

A. Minority and Women-owned Business Enterprises will be provided with equal opportunities to participate in the development, design and construction and/or rehabilitation by performing work and providing goods and services in connection with this Project. To achieve this objective, the Agency has established participation goals applicable to the Project. Attachment No. 1 (Utilization Plan, CONST-1) attached hereto: **(1) \_\_% to minority business enterprises and (2) \_\_% to women-owned business enterprises.** The applicable percentage goals may be satisfied with MBE or WBE contracts relating to hard and/or soft costs of the construction or rehabilitation of the Project.

In order to monitor compliance with the requirements of this Agreement, prior to the funding of the Project, the Owner or General Contractor shall submit the information regarding MBEs, WBEs and SDVOBs participating in the development and construction and/or rehabilitation of the Project using Attachment No. 1 (Utilization Plan, CONST-1).

Owner's and General Contractor's good faith actions to achieve the goals set forth in this Agreement shall be evaluated in using the criteria set forth in Attachment No. 2 (Certification of Good Faith Efforts Guide, CONST-4) attached hereto.

- B. In determining whether Owner and General Contractor have met the goals established herein, all contracts shall be considered, whether awarded directly by Owner or contractors of Owner or awarded by the General Contractor or subcontractors of the General Contractor. The following standards shall apply in determining the portion of the dollar value of any contract that can be credited to fulfilling the Project's Minority and Women-owned Business Utilization Goals:
1. All MBEs and WBEs must either be certified as such by the proper New York State government entity or have its certification status pending a final review.
  2. Where the MBE or WBE is the contractor or where the contractor is a joint venture consisting entirely of MBEs or WBEs, the value shall be 100% of the contract price.
  3. Where the contractor is a joint venture including one or more MBEs or WBEs as joint venturer(s), the value shall be that portion of the contract price which accrues to the MBE or WBE joint venture(s) under the joint venture agreement.
  4. Where the MBE or WBE is a subcontractor, the value shall be the value of the work subcontracted to the MBE or WBE, provided that where the MBE or WBE acts solely as the conduit for work performed by or goods produced by a party not an MBE or WBE, only that portion of the price or fee which accrues directly to the MBE or WBE as profit or fee shall be included, and further provided that if the subcontractor is a joint venturer of further subcontracts, the standards established in (1), (2), and (3) hereof shall apply.
  5. Where the MBE or WBE is a bona fide supplier, the value shall be the value of the materials purchased, provided that if the supplier is a joint venturer, the standards of (1), (2), and (3) hereof shall apply.
- C. Owner and General Contractor will take the following actions to achieve the goals and shall further require their contractors, to the extent that the same have been selected, to do the same:

1. Actively and affirmatively solicit bids for contracts from qualified MBEs and WBEs, including circulation of solicitations to minority and women contractor associations.
2. Ensure that plans, specifications and request for proposals or other means of securing proposals for work to be performed will be made available in sufficient time for review by prospective MBEs and WBEs.
3. Where economically and technically feasible, divide the work into smaller portions to enhance participation by MBEs and WBEs.
4. Encourage, where economically and technically feasible, the formation of joint ventures, partnerships, or other similar arrangements among contractors to insure that the stated MBE and WBE goals are met.
5. Utilize the Agency and other governmental agencies and their consultants, and contractor associations to prepare bid lists and provide other services that are required to fulfill the stated goals.
6. Ensure that progress payments to MBEs and WBEs are made on a timely basis and with such frequency that undue financial hardship is avoided.
7. Provide the Agency or its agents with a record of all bid solicitations and results thereof using Attachment No. 3 (Bid Solicitation Log, CONST-5) attached hereto.

D. Each contract entered into for the Project shall provide that a failure to comply with any provisions of the contract relating to implementation of this Agreement will be deemed by Owner and General Contractor to be a default and that Owner and General Contractor have constituted the Agency as its agent, coupled with an interest, for the purpose of prosecuting such a default and seeking appropriate remedies. The Owner and/or General Contractor must demonstrate compliance with the Agreement by at least performing the following:

1. Owner and General Contractor will incorporate or cause to be incorporated its stated goals in every contract entered into regarding the Project, unless specifically exempted therefrom in writing by the Agency.
2. Prior to executing any contract with a MBE or WBE which Owner or General Contractor expect to include in the calculations of participation by MBEs or WBEs, Owner or General Contractor will cause such entity to present evidence that it has received certification from the proper New York State government entity or that it has submitted, and is awaiting review, of its certification application.
3. Owner or General Contractor will submit to the Agency's Office of Economic Opportunity and Partnership Development, or its designated agent, a copy (ies) of

the executed contract(s) with all MBEs and WBEs and, in a form prescribed and/or approved by the Agency.

4. Owner or General Contractor will submit to the Agency's Office of Economic Opportunity and Partnership Development, or its designated agent, on a quarterly basis using Attachment No. 4 (Affirmation of Income Payments, CONST-3) attached hereto and using Attachment No. 5 (Cumulative Pay Statement, CONST-2) attached hereto.
  5. Owner and/or General Contractor will maintain detailed records of the actions that it has taken to achieve the established goals in such form as will enable the Agency to determine that Owner and General Contractor have indeed made such a good faith effort. Records shall include, but are not limited to, actions outlined in the previous section (C).
  6. Owner, General Contractor, and subcontractor(s) shall at all reasonable times make available to the Agency or its agents all materials and documents prepared in connection with this Agreement.
- E. The Owner and General Contractor shall comply with all provisions set forth in the Appendix A, entitled "Participation by Minority Group Members and Women with respect to State Contracts: Requirements and Procedures". In the event of any conflict or ambiguity between this Agreement and Appendix A, the provisions of Appendix A shall govern.
- F. The Owner and General Contractor shall make good faith efforts to contract with Service-Disabled Veteran-Owned Business (SDVOB), to the maximum extent practical and consistent with the requirements of Article 17-B of the New York State Finance Law and 9 NYCRR Part 252, to provide goods and services for the construction and/or rehabilitation of the Project. SDVOB can be readily identified on the directory of certified businesses at [http://ogs.ny.gov/Core/docs/CertifiedNYS\\_SDVOB.pdf](http://ogs.ny.gov/Core/docs/CertifiedNYS_SDVOB.pdf).

This Agreement may be executed in any number of counterparts or duplicates, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

**APPENDIX A: Participation by Minority Group Members and Women with respect to State Contracts: Requirements And Procedures**

*I. General Provisions*

- A. The Agency is required to implement the provisions of New York State Executive Law Article 15-A and 5 NYCRR Parts 142-144 (“MWBE Regulations”) for all State contracts as defined therein, with a value (1) in excess of \$25,000 for labor, services, equipment, materials, or any combination of the foregoing or (2) in excess of \$100,000 for real property renovations and construction.
- B. General Contractor agrees, in addition to any other nondiscrimination provision of the Contract and at no additional cost to the Agency, to fully comply and cooperate with the Agency in the implementation of New York State Executive Law Article 15-A. These requirements include equal employment opportunities for minority group members and women (“EEO”) and contracting opportunities for certified minority and women-owned business enterprises (“MWBEs”). General Contractor’s demonstration of “good faith efforts” pursuant to 5 NYCRR §142.8 shall be a part of these requirements. These provisions shall be deemed supplementary to, and not in lieu of, the nondiscrimination provisions required by New York State Executive Law Article 15 (the “Human Rights Law”) or other applicable federal, state or local laws.
- C. Failure to comply with all of the requirements herein may result in a finding of non-responsiveness, non-responsibility and/or a breach of contract, leading to the withholding of funds or such other actions, liquidated damages pursuant to section VII of this Appendix or enforcement proceedings as allowed by the Contract.

*II. Contract Goals*

- A. For purposes of this contract, the Agency hereby establishes an overall goal of \_\_\_% for Minority-Owned Business Enterprises (“MBE”) participation as set forth in Attachment 1 and \_\_\_% for Women-Owned Business Enterprises (“WBE”) participation as set forth in Attachment 1 (based on the current availability of qualified MBEs and WBEs).
- B. For purposes of providing meaningful participation by MWBEs on this Contract and achieving the Contract Goals established in section III-A General Contractor should reference the directory of New York State Certified MWBEs found at the following internet address:  
<https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp?TN=ny&XID=4687>.  
Additionally, General Contractor is encouraged to contact the Division of Minority and Woman Business Development ((518) 292-5250; (212) 803-2414; or (716) 846-8200) to discuss additional methods of maximizing participation by MWBEs on this Contract.

- C. Where MWBE goals have been established herein, pursuant to 5 NYCRR §142.8, General Contractor must document “good faith efforts” to provide meaningful participation by MWBEs as subcontractors or suppliers in the performance of this Contract. In accordance with section 316-a of Article 15-A and 5 NYCRR §142.13, the General Contractor acknowledges that if General Contractor is found to have willfully and intentionally failed to comply with the MWBE participation goals set forth in the Contract, such a finding constitutes a breach of Contract and the General Contractor shall be liable to the Agency for liquidated or other appropriate damages, as set forth herein.

*III. Equal Employment Opportunity (EEO) and/or Workforce Report*

- A. General Contractor agrees to be bound by the provisions of Article 15-A and the MWBE Regulations promulgated by the Division of Minority and Women's Business Development of the Department of Economic Development (the “Division”). If any of these terms or provisions conflict with applicable law or regulations, such laws and regulations shall supersede these requirements.
- B. General Contractor shall comply with the following provisions of Article 15-A:
  - 1. General Contractor and Subcontractors shall undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, EEO shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation. The Workforce Report set forth in Attachment No. 6 (Monthly Employment Utilization Report, CONST 6) must be submitted to report this information.
  - 2. The General Contractor shall submit an EEO policy statement to the Agency within seventy two (72) hours after the date of the notice by Agency to award the Contract to the General Contractor.
  - 3. If General Contractor or Subcontractor does not have an existing EEO policy statement, the Agency may provide the General Contractor or Subcontractor a model statement (see Appendix Form 1 – Minority and Women-Owned Business Enterprises Equal Employment Opportunity Policy Statement).
  - 4. The General Contractor’s EEO policy statement shall include the following language:
    - a. The General Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status, will undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force.

- b. The General Contractor shall state in all solicitations or advertisements for employees that, in the performance of the contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
  - c. The General Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union, or representative will not discriminate on the basis of race, creed, color, national origin, sex age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the General Contractor's obligations herein.
  - d. The General Contractor will include the provisions of sections (a) through (c) of this subsection and paragraph "E" of this section, which provides for relevant provisions of the Human Rights Law, in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with this Contract.
- C. General Contractor shall comply with the provisions of the Human Rights Law, all other State and Federal statutory and constitutional non-discrimination provisions. General Contractor and subcontractors shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

#### **IV. MWBE Utilization Plan**

- A. The General Contractor represents and warrants that General Contractor has submitted an MWBE Utilization Plan either prior to, or at the time of, the execution of this Contract.
- B. General Contractor agrees to use such MWBE Utilization Plan for the performance of MWBEs on this Contract pursuant to the prescribed MWBE goals set forth in section III-A of this Appendix.
- C. General Contractor further agrees that a failure to submit and/or use such MWBE Utilization Plan shall constitute a material breach of the terms of this Contract. Upon the occurrence of such a material breach, Agency shall be entitled to any remedy provided herein, including but not limited to, a finding of General Contractor non-responsiveness.

#### **V. Waivers**

- A. For Waiver Requests, General Contractor should use a Waiver Request Form to be provided by the Agency.
- B. If the General Contractor, after making good faith efforts, is unable to comply with MWBE goals, the General Contractor may submit a Request for Waiver documenting good faith efforts by the General Contractor to meet such goals. If the documentation included with the waiver request is complete, the Agency shall evaluate the request and issue a written notice of acceptance or denial within twenty (20) days of receipt.
- C. If the Agency, upon review of the Utilization Plan and updated Compliance Reports determines that General Contractor is failing or refusing to comply with the Contract goals and no waiver has been issued in regards to such non-compliance, the Agency may issue a notice of deficiency to the General Contractor. The General Contractor must respond to the notice of deficiency within seven (7) business days of receipt. Such response may include a request for partial or total waiver of MWBE Contract Goals.

**VI. Quarterly MWBE General Contractor Compliance Report**

General Contractor is required to submit a Quarterly MWBE Contractor Compliance Report to the Agency by the fifth (5th) day following each end of quarter over the term of the Contract documenting the progress made towards achievement of the MWBE goals of the Contract.

*[ HFA Projects ]*

**VII. Liquidated Damages - MWBE Participation**

- A. Where Agency determines that General Contractor is not in compliance with the requirements of this Contract and General Contractor refuses to comply with such requirements, or if General Contractor is found to have willfully and intentionally failed to comply with the MWBE participation goals, General Contractor shall be obligated to pay to the Agency liquidated damages.
- B. Such liquidated damages shall be calculated as follows:

In accordance with 5 NYCRR §142.13, General Contractor acknowledges that if it is found to have willfully and intentionally failed to comply with MWBE participation goals set forth in the Contract, such finding constitutes a breach of Contract and HFA may withhold payment from the General Contractor as liquidated damages.

Such liquidated damages shall be an amount equal to the lesser of: (1) ten percent (10%) of the difference between (a) all sums identified for payment to MWBEs had the General Contractor achieved the contractual MWBE goals and (b) all sums actually paid to MWBEs for work performed or materials supplied under the contract;

or (2) \$50,000 if the Agency Financing is less than \$20 million and \$100,000 if the Agency Financing is \$20 million or above.

- C. In the event a determination has been made which requires the payment of liquidated damages and such identified sums have not been withheld by the Agency, General Contractor shall pay such liquidated damages to the Agency within sixty (60) days after they are assessed by the Agency unless prior to the expiration of such sixtieth day, the General Contractor has filed a complaint with the Director of the Division of Minority and Woman Business Development pursuant to subdivision 8 of section 313 of the Executive Law in which event the liquidated damages shall be payable if Director renders a decision in favor of the Agency.

**[HTFC Projects]**

**VII. Non-Compliance Clauses - MWBE Participation**

Where Agency determines that General Contractor is not in compliance with the requirements of this Contract and General Contractor refuses to comply with such requirements, or if General Contractor is found to have willfully and intentionally failed to comply with the MWBE participation goals, General Contractor shall be obligated to pay to the Agency the outstanding amount by utilizing one or more of the following:

1. Any subsequent DHCR, HFA or HTFC approved project application may be subjected to increased MWBE Goals to account for the defaulted MWBE goal amount;
2. Any subsequent approved Low Income Housing Credit or State Low Income Housing Credit application(s) may be required to utilize MWBE firms for contracts or services until the required default amount has been satisfied;
3. Any such capital projects that are currently subject to regulations promulgated by DHCR, HFA or HTFC may be required to utilize MWBE Firms for contracts or services until the required default amount has been satisfied;
4. If applicable, Agency may retain a portion of the developers' fee as payment towards the outstanding defaulted MWBE amount.

**Appendix Form 1      MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES – EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT**

**M/WBE AND EEO POLICY STATEMENT**

I, \_\_\_\_\_, the (awardee/contractor) \_\_\_\_\_ agree to adopt the following policies with respect to the project being developed or services rendered at \_\_\_\_\_

**M/WBE** This organization will and will cause its contractors and subcontractors to take good faith actions to achieve the M/WBE contract participations goals set by the State for that area in which the State-funded project is located, by taking the following steps:

- (1) Actively and affirmatively solicit bids for contracts and subcontracts from qualified State certified MBEs or WBEs, including solicitations to M/WBE contractor associations.
- (2) Request a list of State-certified M/WBEs from AGENCY and solicit bids from them directly.
- (3) Ensure that plans, specifications, request for proposals and other documents used to secure bids will be made available in sufficient time for review by prospective M/WBEs.
- (4) Where feasible, divide the work into smaller portions to enhanced participations by M/WBEs and encourage the formation of joint venture and other partnerships among M/WBE contractors to enhance their participation.
- (5) Document and maintain records of bid solicitation, including those to M/WBEs and the results thereof. Contractor will also maintain records of actions that its subcontractors have taken toward meeting M/WBE contract participation goals.
- (6) Ensure that progress payments to M/WBEs are made on a timely basis so that undue financial hardship is avoided, and that bonding and other credit requirements are waived or appropriate alternatives developed to encourage M/WBE participation.

**EEO** (a) This organization will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status, will undertake or continue existing programs of affirmative action to ensure that minority group members are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on state contracts.

(b) This organization shall state in all solicitation or advertisements for employees that in the performance of the State contract all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, disability or marital status.

(c) At the request of the contracting agency, this organization shall request each employment agency, labor union, or authorized representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of this organization’s obligations herein.

(d) Contractor shall comply with the provisions of the Human Rights Law, all other State and Federal statutory and constitutional non-discrimination provisions. Contractor and subcontractors shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

(e) This organization will include the provisions of sections (a) through (d) of this agreement in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with the State contract.

Agreed to this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

By \_\_\_\_\_

Print: \_\_\_\_\_ Title: \_\_\_\_\_

**(Name of Designated Liaison)** is designated as the Minority Business Enterprise Liaison responsible for administering the Minority and Women-Owned Business Enterprises- Equal Employment Opportunity (M/WBE-EEO) program

**M/WBE Contract Goals**

\_\_\_\_\_ % Minority Business Enterprise Participation

\_\_\_\_\_ % Women's Business Enterprise Participation

**EEO Contract Goals**

\_\_\_\_\_ % Minority Labor Force Participation

\_\_\_\_\_ % Female Labor Force Participation

## **PART III APPLICANT/DEVELOPMENT TEAM INFORMATION**

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Applicants must be municipalities or their designees, municipal housing authorities, not-for-profit or charitable organizations that have as one of their primary purposes the improvement of housing.

Please provide the following information and documentation about the Applicant and development team.

Please note that if you are submitting more than one application, regardless of type, certain documents may only need to be submitted once (e.g., applicant staff resumes, financial statements). These are noted on the document checklist.

### **I. Applicant Qualifications**

Describe the qualifications of the Applicant. Describe the Applicant's current staffing and capacity to administer this grant. List the names and titles of members of the board of directors, officers, and technical staff.

*Provide corporate resumes, organization brochures, and individual resumes for all persons listed.*

### **II. Experience**

Describe the Applicant's previous experience in housing development. Identify any previously funded AHC projects.

*Provide a list of AHC projects with the AHC ID number, the amount of the award and the current status for each project.*

*Provide a list of projects completed in connection with, or using funds from, SONYMA, DHCR, and any other state or local housing agencies. Include the name of the project, date completed, size of the project, total cost of the project, and relevant agencies.*

**III. Construction Completion Guarantee**

If Applicant expects to use grant funds during the construction phase, provide evidence that the developer/contractor has the capacity to post 10% cash collateral, obtain a 100% Payment and Performance Bond, or a 10% Letter of Credit from at least a “Double A” rated institution as assurance for completion. If neither a bond nor a letter of credit can be provided, then provide an alternative method of ensuring completion.

*Include a draft copy of the Payment and Performance Bond or Letter of Credit.*

**IV. Construction Monitor**

Applicant must ensure that the project will be built to required codes and in a manner consistent with standard construction practices. Describe the qualifications of the person that will monitor construction. Indicate whether the construction monitor will be provided by the developer/contractor or the construction lender.

*Provide a copy of the construction monitor’s qualifications and resume.*

*Provide a letter from the lender stating that it will provide the construction monitor’s reports to AHC (if applicable).*

**V. Warranty**

The contractor shall provide an explicit one year written warranty to each homeowner starting from the date of the final acceptance of the improvement(s). The warranty shall be a full warranty stating the workmanship and materials provided shall be free from defects for a period of one year. This is in addition to the implied warranties set forth in Article 36A and 36B of the NYS General Business Law.

*Provide a draft copy of the warranty and evidence of insurance as required by the Regulations.*

All other warranties for appliances, mechanical systems, major material components such as roofs and windows, and in the case of manufactured homes, the manufacturer’s warranty, as well as any operation manuals, shall be furnished in their written form to the homeowner at the time of closing or final acceptance of the home.

**VI. Insurance**

Provide evidence of required insurances as set forth in the AHC Rules and Regulations. Provide details of any departures or variances.

## **VII. Additional Documentation**

- **Financial Statements**  
Provide the most recent audited financial statements for the Applicant (unless the Applicant is a municipality).  
Municipalities are not required to submit their financial statements.
- **Agreements**  
Provide draft copies of agreements between the Applicant and all participating parties.  
NOTE: The agreement with the contractor must include a reference to the home owner's warranty as described above.
- **Certifications**  
Provide a certification by the Applicant that there is no litigation pending or threatened which would affect the transactions contemplated for this proposed project.  
Indicate if any participating party is currently on any disbarment list, has any litigation pending or has been convicted of a crime. Provide details.
- **Certificate of Incorporation**  
If the Applicant is a not-for-profit corporation, include a copy of the Applicant's Certificate of Incorporation.
- **Municipal Designation**  
If the Applicant is a designee of a municipality, include a letter from the municipality establishing such designation and authorization for the proposed project.
- **Notification**  
Provide proof that evidence of notification regarding the Project was sent to local municipal officials, other local officials, and state legislators.

## **VIII. Letters of Support**

Letters of support are welcome.

## **PART IV      Required Forms and Certifications**

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### **Other Certifications**

Home improvement projects are identified in the State Environmental Quality Review Act as “Type II SEQR Actions” which do not require environmental assessments. The Corporation’s Environmental Services Unit will make the final decision as to whether a project qualifies as a Type II home improvement project.

The following certifications must be submitted to AHC as part of the grant application for home improvement projects:

- ***The Project site for which an AHC grant is being requested is not located in a flood hazard area as defined by the Federal Insurance Administration, pursuant to the Flood Disaster Protection Act of 1973.***
- ***The Project site is not listed on, or eligible for, the state and/or National Register of Historic Places, nor will the Project have an impact on such a site.***

An acceptable certification form for these two requirements is included below.

## Environmental Certifications

On behalf of the applicant, the undersigned certifies that Affordable Housing Corporation (AHC) grant funds will not be expended on any historic and/or archeological site (cultural resources) listed on or eligible for the state and/or National Register of Historic Places unless determined that such expenditure of funds will have no adverse impact upon such cultural resources. Such listing, eligibility and determination of adverse impact shall be determined by the New York State Office of Parks, Recreation, and Historic Preservation, Historic Preservation Field Services Bureau located at Peebles Island, PO Box 189, Waterford, New York.

The undersigned further certifies that the project site for which and AHC grant is being requested is either not located in a Special Flood Hazard Area (SFHA), or if located in a SFHA, complies with the New York State Department of Environmental Conservation's Flood Plain Management Criteria For State Projects (NYCRR Part 502) and flood insurance has been obtained. The SFHA is that land within the floodplain of a community subject to a 1 percent or greater chance of flooding in any given year, commonly referred to as the 100-year floodplain. The SFHA is to be determined from a Flood Insurance Rate Map (FIRM) available from the Federal Emergency Management Agency or any other method deemed acceptable under the National Flood Insurance Program.

*(signature required)*

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Signature

Applicant's Name (please print)

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Title

Date

**PART V      SUPPLEMENTAL DOCUMENTATION**

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- *Agreements between Grantee and Participating Parties*
- *Commitments - Non AHC Sources*
- *Homeowner Warranty*
- *Insurance*
- *Market Information (demonstrating there are homes available for this program)*
- *Other*

## **PART VI     DOCUMENT CHECKLIST**

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Each Proposal must include a completed document checklist. The checklist helps the Applicant ensure that each required document has been incorporated into the Proposal.

The document checklist for home improvement projects is found in the Appendix (III).

## **PROGRAM REGULATIONS**

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### **Regulations of the Affordable Home Ownership Development Program**

21B NYCRR Parts 2160 et seq.

(As amended through May 31, 2012)

#### **Section 2160.1 Overview and applicability.**

- (a) These rules and regulations are being promulgated by the New York State Affordable Housing Corporation (the "Corporation") pursuant to Section 1113(1) of the Private Housing Finance Law. The Corporation, a subsidiary of the New York State Housing Finance Agency, was created to operate the Affordable Home Ownership Development Program (Private Housing Finance Law, '1110 et seq., hereinafter the "Act").
- (b) The purpose of the program is to promote home ownership by persons of low and moderate income, which, in turn, promotes development, stabilization and preservation of neighborhoods and communities. To achieve these goals, the Corporation will provide financial assistance, in conjunction with other private and public investment, for the acquisition, construction, rehabilitation and improvement of owner-occupied housing. By reducing development and rehabilitation costs, assistance provided under the Act is expected to make home ownership affordable to families and individuals for whom there are no other reasonable and affordable home ownership alternatives in the private market. Additionally, the development and rehabilitation activities undertaken in connection with this program are expected to help eliminate conditions of slums and blight and to create jobs and stability in communities throughout the State.
- (c) The financial assistance provided by the Corporation will be in the form of grants. The grantees may make these funds available to recipients in the form of payments, grants and loans. Such loans may, but need not, be in the form of participation in loans originated or financed by lending institutions as defined under Section 42 of the Private Housing Finance Law, employee pension funds, or the State of New York Mortgage Agency. The grantees shall determine the terms and conditions for such payments, grants or loans.

#### **2160.2 Definitions.**

As used in these rules and regulations:

- (a) "Act" shall mean Article 19 of the Private Housing Finance Law, § 1110 et seq.
- (b) Affordable Home Ownership Development Program or project shall mean the rehabilitation, improvement or construction, singly or in combination, of one or more homes.

- (c) "Corporation" shall mean the Affordable Housing Corporation created by Section 45-b of the Private Housing Finance Law.
- (d) "Eligible Applicant" shall mean a Municipality, a housing development fund company incorporated pursuant to Article 11 of the Private Housing Finance Law, any not-for-profit corporation or charitable organization which has as one of its primary purposes the improvement of housing, or a municipal housing authority created pursuant to the Public Housing Law. A Municipality may select a designee or a consortium of designees to submit an application on its behalf. This will not preclude the submission of applications from other qualified Eligible Applicants within the Municipality.
- (e) "Grantee" shall mean an Eligible Applicant who has been awarded a grant with which to operate a program of financial assistance pursuant to the Act.
- (f) "High Cost Area" shall mean an area with respect to which the Corporation has determined that the average cost of housing severely limits the ability of Home Buyers to purchase or improve Homes within such areas.
- (g) "Home" shall mean a one- to four-family dwelling which has at least one owner occupant or an owner-occupied unit in a cooperative or a condominium.
- (h) "Home Buyer" shall mean an individual or household for whom there are no other reasonable and affordable home ownership, rehabilitation or home improvement alternatives, as the case may be, in the private market, as determined by the Grantee and who shall purchase and occupy Home assisted under the Act as such Home Buyer's principal place of residence.
- (i) "Income Limitations" shall mean a system of maximum income limitations or income targeting designed to assure that the persons or families who benefit from financial assistance under this program would, through the ordinary, unaided operation of private enterprise, be unable to own or improve homes.
- (j) "Lending Institution" shall mean any bank or trust company or savings bank, or any corporation, association or other entity which is owned or controlled by any one or more such bank or trust company or savings bank, or any savings and loan association, credit union, Federal National Mortgage Association-approved mortgage banker, national banking association, federal savings and loan association, federal savings bank, public pension fund, pension fund with assets over fifty million dollars, insurance company, federal credit union or other financial institution or governmental agency of the United States which customarily makes, purchases, holds, insures or services residential mortgages.
- (k) "Leveraging Ratio" shall mean the total amount of private and public financial investment (other than funds made available pursuant to the Act) or other resources for which a firm commitment is made, divided by the amount of grant funds made available through the Corporation.
- (l) "Municipality" shall mean a county, city, town or village, except that where a city consists of more than one county, then the term Municipality shall refer to such city.

- (m) "Owner" shall mean an individual who owns or agrees to purchase or improve a Home assisted under this program, and to occupy it as his principal place of residence, or a partnership, a corporation or other entity which will build, rehabilitate or improve Homes for sale to Home Buyers.
- (n) "Recipient" shall mean any individual, partnership, corporation or other entity which receives funds provided under the Act from a Grantee.
- (o) "Rehabilitation" or "Home Improvement" shall mean all work necessary to bring a structure into compliance with all applicable laws and regulations, including but not limited to the installation, replacement or repair of heating, plumbing, electrical and related systems and the elimination of all hazardous and immediately hazardous violations in the structure in accordance with State and local laws, rules and regulations. Rehabilitation or Home Improvement may also include reconstruction or work to improve the habitability or prolong the useful life of residential property. Further, for the purposes of these regulations, Home Improvement shall mean the improvement of a home in which the Owner is in residence at the time or prior to the commencement of the improvement to his/her home.

### **Section 2161.1 Eligible areas.**

- (a) Project(s) and program Proposals must be targeted to eligible areas as defined under these regulations. An eligible area may have an existing designation or must meet the criteria which establish an area as an eligible area, as determined by the Corporation.
- (b) An eligible area is one that is blighted, deteriorated or deteriorating, or has a blighting influence on the surrounding area or is in danger of becoming a slum or a blighted area because of the existence of substandard, unsanitary, deteriorating or deteriorated conditions, an aged housing stock, or vacant nonresidential property, or other factors indicating an inability or unwillingness of the private sector, unaided, to invest in Homes for the area.

### **2161.2 Designated eligible areas.**

- (a) Designated eligible areas are, for the purposes of these regulations, areas which are designated pursuant to any Federal, State or local law, rule or regulation as blighted, deteriorated or deteriorating or as having a blighting influence on the surrounding area or as being in danger of becoming a slum or blighted area. Among the designations that will meet the criteria set forth in this section are the following:
  - (1) areas which are designated under Articles 15 and 16 of the General Municipal Law;
  - (2) areas which are designated by the Secretary of Housing and Urban Development as areas where concentrated housing, physical development, and public service activities are being or will be carried out in a coordinated manner, pursuant to a locally developed strategy for neighborhood improvement, conservation or preservation;

- (3) census tracts in which at least 70 percent of the families have an income which is 80 percent or less of the statewide median family income;
  - (4) areas of chronic economic distress as designated by the State and as approved by the Secretary of the Treasury and the Secretary of Housing and Urban Development;
  - (5) neighborhoods in which neighborhood preservation activities are being carried out pursuant to Article 16 of the Private Housing Finance Law; and
  - (6) rural preservation and revitalization regions subject to the provisions of Articles 17, 17 A and 17 B of the Private Housing Finance Law.
- (b) In addition, if a Municipality in which the area is located designates, through the appropriate legislative body, that the area is blighted, deteriorated or deteriorating, or has a blighting influence on the surrounding area, or is in danger of becoming a slum or a blighted area because of the existence of substandard, unsanitary, deteriorating or deteriorated conditions, an aged housing stock, or vacant nonresidential property, or other factors indicating an inability or unwillingness of the private sector, without governmental assistance, to invest in homes for the area, such area is, for the purposes of these regulations, an eligible area.

**2161.3 Eligible property.**

- (a) The amount of land appurtenant to each Home to be assisted under the Act will not be in excess of the amount required to maintain the basic livability of the Home. In areas where local zoning applies, the maximum amount of land allowed for each Home is one house lot which cannot be subdivided into another buildable lot under such local zoning provisions. In rural areas where there is no applicable zoning, the maximum amount of land will be determined by the Corporation on a case by case basis in light of common standards for single family housing in the area.
- (b) Each Home to be assisted under the Act will consist of no more than one building, except that separate garage structures for dwelling units will not violate this provision. In the case of the assistance of Homes involving two to four dwelling units, at least one wall of each unit will be contiguous with a wall or walls of one or more of the other units.

**2161.4 Conflict of interest.**

Eligible Applicants as defined herein may apply for a grant, under the Program, subject to the requirements set forth in the following section regarding potential conflicts of interest.

- (a) The officers, directors and employees of each Grantee should pursue a course of conduct which will not raise the appearance of any impropriety or conflict of interest with respect to any funds awarded by the Corporation.

- (b) No person who is a member of the governing body of the Eligible Applicant, an officer, or an employee or the immediate family member of such a person, or any person or business entity having a direct or indirect financial relationship with such a person, will be eligible to participate or benefit financially from the Eligible Applicant's project(s) or program, except that, in the case of a Municipality, this provision with respect to employees applies only to employees of the departments or agencies directly involved in the Municipality's project(s) or program.
- (c) No individual who is an elected official at the State or local level, a paid staff person to such an official, a leader or chairman of a political party at any jurisdictional level, or an immediate family member of any such person, will be eligible to participate or benefit financially from the Eligible Applicant's project(s) or program.
- (d) Upon a written showing, by an Eligible Applicant or a Grantee, of good cause such that thereby any appearance of an impropriety or of a conflict of interest is dispelled, the Corporation may in its discretion grant a waiver of the prohibitions contained in subdivisions (b) and (c) of this section, provided that the prohibited participation or benefit is not otherwise illegal. In the event the Corporation grants such a waiver, the facts and circumstances surrounding such participation or benefits shall be fully disclosed in the Eligible Applicant's Proposal or contract and to such other persons or entities as the Corporation may require.

### **Section 2162.1 Grant limits.**

Grants will be limited to the lesser of: (i) 60 percent of the project cost (100 percent of the project cost for rehabilitation projects that do not involve an acquisition component), or (ii) the following per dwelling unit limitations: (A) \$35,000 for projects except as provided hereinafter, or (B) \$40,000 for a high cost project or a project which will receive a loan from the federal farmers home administration. No more than 50 percent of the appropriated funds shall be allocated to Homes within a single Municipality in any fiscal year. A project may be deemed to be a high cost project if: (1) the project is located within a High Cost Area, or (2) it is demonstrated to the satisfaction of the Corporation that the additional \$5,000 per dwelling unit subsidy available to high cost projects would make housing in such project affordable to households with incomes at or below 80 percent of the applicable area median income.

### **2162.2 Eligible costs.**

Grant funds may be used only for the construction, Rehabilitation or improvement of one to four family dwellings, including cooperatives and condominiums, and the replacement of dilapidated mobile homes with manufactured or stick-built homes on homeowner-owned land, which are or will be Owner occupied. Grant funds may be used for the acquisition of property only as part of projects and programs for the construction or Rehabilitation of Homes. Grant funds that do not exceed ten percent (10%) of the Total Development Cost may be used for administrative or operating expenses, including expenses related to the organization, operating support and administration of the project.

### **2162.3 Ineligible costs.**

Grant funds exceeding ten percent (10%) of the Total Development Cost of the Project may not be applied to administrative costs incurred by an Eligible Applicant or Grantee, or to any other costs which are not directly related to the construction, Rehabilitation or improvement of Homes. In the event that

Homes are to be located in a mixed use structure, then any costs associated with the nonresidential uses are ineligible costs.

#### **2162.4 Permissible forms of financial assistance.**

The Corporation is authorized to provide grants to selected Eligible Applicants. Grantees may allocate funds in the form of grants, loans or payments.

#### **Section 2163.1 Threshold requirements.**

- (a) From time to time and as funds become available, the Corporation will issue requests for Proposals. Proposals from Eligible Applicants that meet the minimum threshold requirements will be judged on a competitive basis.
- (b) The following are minimum requirements for an application to be considered in the selection process:
  - (1) **Completeness.** The Proposal must contain the information and documentation required by Part 2164 of this Title sufficient in the Corporation's determination to permit the Corporation to make the assessments required by this Part.
  - (2) **Eligible area.** Based upon information supplied by the Eligible Applicant or a designation made pursuant to any Federal, State or local law, rule or regulation, the Corporation will determine that the project(s) is/are in an eligible area or areas.
  - (3) **Limits on grants and uses.** The proposed grant requests may not exceed the dollar limits as determined under the Act. Grant funds may only be applied to purposes specified under the Act.
  - (4) **Non-displacement of residents.** The Proposal must not result in the permanent displacement of low or moderate income residents. Any temporary relocation of residents must be carried out in accordance with a plan which will be subject to the approval of the Corporation. In order to prevent permanent displacement, the Proposal must, at a minimum, contain a sufficient plan which offers such residents a decent, safe and sanitary dwelling unit in the project or program property comparable to the tenant's affected unit at a monthly cost for rent and utilities that does not exceed the greater of:
    - (i) the tenant's cost for rent and utilities at the time that a grant agreement with the respective Grantee is executed; or
    - (ii) 30 percent of the tenant's household's gross income. In the event that the project or program involves a broad geographic area, the unit to be offered must be proximately located, as such proximity is determined in the sole opinion of the Corporation, to the affected unit.

- (5) Equal opportunity. The Eligible Applicant must agree to comply with the Corporation's guidelines, practices and procedures which are designed to ensure that, where possible, minority groups which traditionally have been disadvantaged, and women, are afforded equal opportunity for contracts under the Eligible Applicant's project(s) or program.
- (6) Fair Housing. The Eligible Applicant must agree to comply with all applicable federal, state, and local fair housing laws and may not engage in any practice or foster any pattern of illegal housing discrimination including but not limited to discrimination based on race, creed, color, national origin, sex, age, disability or marital status.

### **2163.2 Minimum program requirements.**

Grants can only be made to selected Eligible Applicants who have submitted an application which contains a plan that will enable the Corporation to determine that:

- (a) The proposed project or program will make Home ownership or Home Improvement affordable to persons who cannot afford to purchase or improve Homes by relying upon the ordinary, unaided operation of private enterprise.
- (b) There are criteria, satisfactory to the Corporation, which provide for maximum Income Limitations or a system of income targeting designed to ensure that persons who purchase or improve Homes which benefit from financial assistance provided pursuant to the Act, are persons who, through the ordinary, unaided operation of private enterprise, would be unable to purchase or improve homes.
- (c) There are criteria, satisfactory to the Corporation, to ensure to the maximum extent feasible, that rental units in two to four unit structures (other than the unit to be occupied by the homeowner) will be affordable to persons or families who otherwise could not afford to rent these new, rehabilitated or improved units if produced by the ordinary, unaided operation of private enterprise.
- (d) The payments, grants and loans provided by Grantees pursuant to the Act will be supplemented by private or other public investment and the payments, grants and loans provided by the Grantee are the least necessary to make Home ownership or Home Improvement affordable to the income group to be served by the proposed project or program.
- (e) In the event that the proposed project(s) or program activities are undertaken by other than not for profit corporations or Municipalities, then the individuals, partnerships or corporations undertaking those activities will agree to limit their profit in accordance with a formula, satisfactory to the Corporation, which has been established by the Grantee.
- (f) The proposed project or program will provide assistance in an area which is blighted, deteriorated or deteriorating, or has a blighting influence on the surrounding area, or is in danger of becoming a slum or a blighted area because of the existence of substandard, unsanitary, deteriorating or deteriorated conditions, an aged housing stock or vacant nonresidential property, or other factors

indicating an inability or unwillingness of the private sector unaided to cause the construction, Rehabilitation or Home Improvement for which payments, grants and loans under this program are provided.

g) Except as provided in subdivision (h) of this section in the case of Home Improvement, funds will be recaptured if the Home Buyer does not occupy the Home as his/her principal place of residence for a minimum of 10 years or for the period specified under the terms and conditions of a formula established by the Eligible Applicant as approved by the Corporation. At a minimum, the Grantee will require Home Buyers to agree, in such form as the Corporation may require (including, a mortgage and note secured by the Home) that in the event the Home Buyer does not occupy his/her Home for the minimum 10 year period, the Home Buyer will pay the Corporation the following sum (unless the Corporation approves a different formula proposed by the Eligible Applicant),[see attached chart]:

- (1) if the Home Buyer occupies his/her Home for less than five years, then the Home Buyer must pay the full amount of the assistance provided under the Act attributable to the Home Buyer's Home; or
- (2) if the Home Buyer occupies his/her Home for at least 5 years but less than 10 years, then the Home Buyer must pay that portion of the assistance provided under the Act attributable to the Home Buyer's Home reduced by 20 percent for each year that the Home Buyer occupied his/her Home beyond 5 years and less than 10 years. For purposes of this paragraph, occupancy during six months or more in any year will be deemed to be a full year of occupancy, and therefore, the amount payable will be reduced accordingly for such year; and occupancy of four months to under six months in any year will be deemed to be occupancy for one half of a year, and therefore, one half of the amount payable per year will be payable for that year.

The amount to be repaid as provided in this subdivision may be reduced by the amount that the Home Buyer has previously paid to the Corporation on the principal amount of any loan provided under the Act attributable to the Home Buyer's Home. In addition, if the resale price is less than the Home Buyer's original purchase price plus the cost of any capital improvements made by the Home Buyer, other than capital improvements for which assistance was provided in whole or in part under the Act, or in the event of severe hardship such as death of the Owner, financial or natural disaster, the Grantee may propose a modification of the Home Buyer's agreement hereunder which will be subject to the Corporation's approval.

(h) In the case of a Home Improvement project(s) or program, funds will be recaptured if the homeowner does not occupy the Home as his/her principal place of residence for the minimum period required in accordance with the formula provided in this section 2163.2(h) of this Title or for the period specified under the terms and conditions of a formula established by the Eligible Applicants as approved by the Corporation. At a minimum, in all Home Improvement project(s) or programs (unless the Corporation approves a different formula proposed by the Eligible Applicant), the Grantee will require homeowners to agree, in such form as the Corporation may

require, that the Home Owner will occupy his/her Home for the periods required or pay the Corporation a sum in accordance with the formula set forth below. The Corporation may require that the form of such agreement may include a note and mortgage except that a note and mortgage shall not be required when the assistance provided to a Home Owner for improvements is less than or equal to \$2,000 (irrespective of the number of units in the structure) and the Corporation approves different provisions for recapture of assistance by the Grantee which are not unduly burdensome and are reasonably enforceable.

- (1) if the total amount of assistance provided under the Act attributable to the homeowner's Home is less than or equal to \$5,000 (irrespective of the number of units in the structure), then the homeowner will agree to occupy his/her Home for a minimum period of two years from the date of completion of the improvement, as such date is determined by the Grantee, or to repay the full amount of the assistance provided under the Act;
- (2) if the total amount of assistance provided under the Act attributable to the homeowner's Home is more than \$5,000 but less than or equal to \$10,000 (irrespective of the number of units in the structure), then the homeowner will agree to occupy his/her Home for a minimum period of five years from the date of completion of the improvement, as such date is determined by the Grantee, or to repay the full amount of the assistance provided under the Act; and
- (3) if the total amount of assistance provided under the Act attributable to the homeowner's Home is more than \$10,000 (irrespective of the number of units in the structure), then the homeowner will agree to repay the assistance as follows:
  - (i) if the homeowner occupies his/her Home for less than five years from the date of completion of the improvement, as such date is determined by the Grantee, then the homeowner must pay the full amount of the assistance provided under the Act attributable to the homeowner's Home; or
  - (ii) if the homeowner occupies his/her Home for at least 5 years but less than 10 years from the date of completion of the improvement, as such date is determined by the Grantee, then the homeowner must pay that portion of the assistance provided under the Act attributable to the homeowner's Home reduced by 20 percent for each year that the homeowner occupied his/her Home beyond five years and less than 10 years from the date of completion of the improvement, as such date is determined by the Grantee. For purposes of this subdivision, occupancy during six months or more in any year will be deemed to be a full year of occupancy, and therefore, the amount payable will be reduced accordingly for such year; and occupancy of four months to under six months in any year will be deemed to be occupancy for one half of a year, and therefore, one half of the amount payable per year will be payable for that year.

The amount to be repaid as provided above may be reduced by the amount that the homeowner has previously paid to the Corporation on the principal amount of any loan provided under the Act attributable to the homeowner's Home. In addition, if the resale price is less than the homeowner's original purchase price plus the cost of any capital improvements made by the homeowner other than capital improvements for which assistance was provided in whole or in part under the Act, or in the event of severe hardship such as death of the Owner, financial or natural disaster, the Grantee may propose a modification of the homeowner's agreement hereunder which will be subject to the Corporation's approval.

- (iii) In the case of a Rehabilitation or Home Improvement project(s) or program, more than 50 percent of the payments, grants and loans provided for each Home will be used to perform work which prolongs the useful life of the Home or shall be used to correct basic structural defects or to repair basic building systems which threaten, or if not corrected or repaired could threaten, the health and safety of the dwelling's residents.

### **Section 2164.1 Application requirements.**

Applications to the Corporation for grants under the Act must include the provisions outlined in this Part.

### **2164.2 Application information.**

- (a) An application form, signed by an authorized officer of the Eligible Applicant, including the name, address and telephone number of applicant and the name of applicant's chief executive officer or other official to whom inquiries should be addressed. In the event that a Municipality has designated another Eligible Applicant to submit an application on its behalf, then supply the name, address, and telephone number of such entity, the name of the chief executive officer, and a certified copy of the resolution designating such entity.
- (b) A statement indicating whether the applicant has or will submit an application to the Housing Trust Fund Corporation for assistance under the Low Income Housing Trust Fund Program (Private Housing Finance Law, ' 1100 et seq.) and the amount requested in any such application.
- (c) A history of all acceptances or rejections of Proposals under either the Affordable Home Ownership Development Program or the Low Income Housing Trust Fund Program.
- (d) A certified copy of the resolution of the governing body of the Eligible Applicant authorizing the submission of an application for assistance under the Act.
- (e) A certified copy of the certificate of incorporation of all Eligible Applicants other than Municipalities.

- (f) A copy of the audited financial statements relating to the past three years, prepared by an independent certified public accountant, of all Eligible Applicants other than Municipalities.
- (g) A statement describing:
  - (1) the interest, if any, whether direct or indirect, in any of the transactions contemplated by the Proposal of any member of the governing body of the Eligible Applicant, its officers or its employees and their immediate family members; and
  - (2) the disclosure provided or to be provided to participating parties by the Eligible Applicant concerning such interest.

### **2164.3 Statement of need.**

The application must include a description of the problem to be addressed which will include:

- (a) Evidence of the designation, if any, pursuant to any Federal, State or local law, rules or regulations or pursuant to any action by a Municipality of the project or program area as blighted, deteriorated or deteriorating or as having a blighting influence on the surrounding area or as being in danger of becoming a slum or blighted area.
- (b) A description of project or program area demographics, including levels of income of the residents and problems in achieving affordable home ownership.
- (c) A description of the housing stock in the project area, its age and condition, vacant buildings (both residential and nonresidential), vacant or under utilized land, and other information relevant to the project or program.
- (d) A description of the services available to the project area (*i.e.*, shopping, schools, health care, public transportation, etc.).
- (e) Data on the extent of public or private investment in housing and other community development activities within the project or program area, including evidence as to whether or not the requested assistance is necessary to protect earlier or ongoing public investment in the area.

### **2164.4 Narrative overview of proposed project(s) or program.**

A general description of the Proposal, including but not limited to the following:

- (a) A description of the proposed method of providing the housing (*i.e.*, new construction, Rehabilitation or home improvement);
- (b) The number of units to be provided or improved;

- (c) The targeted economic population to be served, including any households for whom rental units will be made available in two to four unit structures;
- (d) A description of the financing plan, including the amount of grant funds requested;
- (e) The anticipated implementation and completion dates of the Proposal; and
- (f) A description of the qualifications and experience of the applicant, builders, developers, contractors, major subcontractors and consultants.

**2164.5 Methodology proposed to meet the need.**

- (a) A feasibility study and market analysis of the Proposal, including but not limited to:
  - (1) estimated total development costs, including but not limited to direct and indirect construction costs, land costs, builders' or developers' profits, and legal, architectural and inspection fees, as applicable;
  - (2) the anticipated sales price, if applicable, and carrying costs of the Homes to the homeowner; and
  - (3) the income levels to be targeted and the gap between such income levels and the income required to carry a Home through conventional financing without any governmental assistance.
- (b) A development plan which includes:
  - (1) the amount and method of assistance (payments, loans, grants);
  - (2) the location and number of housing units to be assisted and type (new construction, Rehabilitation or home improvement), including the number of rental units, if any, to be made available in two to four unit buildings;
  - (3) the methods to be employed to ensure that, if there are existing tenants in two to four unit buildings, such tenants are not permanently displaced as a result of the Proposal and in the event that temporary relocation is required, a plan for such temporary relocation;
  - (4) the methods to be employed to reduce construction costs and contain purchase prices and operating costs for Home Buyers, including innovative, cost effective design techniques and building materials, if any, which would reduce costs related to units treated under the Proposal; and
  - (5) the methods to be employed to outreach and market to low and moderate income individuals and families.
  - (6) the methods to be employed to ensure fair and equitable access to assistance under the plan, including procedures for affirmative outreach to persons not

otherwise likely to apply for assistance, advertising plans, the system for selection of Home Buyers, and a description of any proposed preference or priority to be accorded to any person applying to participate in the project.

- (c) A description of the method used to ensure that persons who purchase or improve Homes which benefit from the project or program are persons who, through the ordinary, unaided operation of private enterprise, would be unable to purchase or improve Homes, including but not limited to:
- (1) the adoption of income limits or targeting to the lowest possible income segment in area;
  - (2) the method applicant intends to employ to assure that the Homes continue to be affordable to individuals and families whose incomes are within the income limits established; and
  - (3) a description of any requirements beyond the minimum requirements set forth in Section 2163.2(g) or (h) of this Title, whichever is applicable, and the method to be used to implement such requirements concerning the limitation of the resale price of Homes or the recapture of the assistance provided under the Act if the Home Buyer does not occupy the Home as his/her principal place of residence for the minimum occupancy period required in accordance with such applicable section of this Title.

#### **2164.6 Proposed project(s) or program financing and leveraging plan.**

- (a) Identification of all private investments and/or commitments and all other public assistance that will be necessary and available to make the project possible, including amounts and uses of each.
- (b) The amount of payments, grants or loans necessary to make the project feasible.
- (c) The Leveraging Ratio resulting from the combination of available funds.
- (d) In the event that the assistance to be provided by the Eligible Applicant to the recipient(s) is in the form of a loan, the term, rate of interest and conditions for repayment of the loan.

#### **2164.7 Project(s) or program schedule.**

- (a) Expected project or program construction commencement date.
- (b) Phasing of outreach and marketing operations.
- (c) Expected completion date.
- (d) For new construction and Rehabilitation projects, anticipated schedule for closing and occupancy of units.

#### **2164.8 Qualifications of participants.**

- (a) A description of the applicant's qualifications and previous experience, if any, to perform the role of Grantee under this program.
- (b) The qualifications and experience of all other program participants, such as developers, builders, contractors, etc.
- (c) A copy of the most recent audited financial statement prepared by an independent certified public accountant, or such other documentation as the Corporation may approve, of all participants other than municipalities, Federal, State and local governmental agencies and Lending Institutions as defined in Section 2160.2(i) of this Title who will be providing funds for the project(s) or program.

### **2164.9 The administration and disbursement plan of the Eligible Applicant.**

### **2164.10 Required certifications and supporting documents.**

- (a) In the event that a Municipality has selected a designee to submit a Proposal on its behalf, then a statement from such Municipality that it concurs with the proposed project or program.
- (b) A statement by the Eligible Applicant as to the status of all public approvals and clearances required to undertake and construct the project, including review under the State Environmental Quality Review Act (SEQRA) and the State Historic Preservation Act (SHPA) and an estimated timetable for obtaining all approvals not yet obtained.
- (c) A commitment by all profit making participants (including developers, contractors, consultants, etc.) to guarantee the estimated costs for a specified time period and to accept the Corporation's established limit on profits.
- (d) Evidence of developers', contractors', etc. ability to secure binding 100 percent payment and performance bonds or other methodologies to assure full payment and timely completion.
- (e) Evidence of site control (options, contracts of sale, deeds, or public commitment to make site available, contingent only upon the award of assistance under the Act) and an independent appraisal of the value of the site(s) if the total development cost of the project(s) or program includes any costs of acquisition of the site(s) or the value of the site provided to the project(s) or program.
- (f) All commitments, satisfactory to the Corporation, for the financing of the project(s) or program in an amount sufficient to complete the construction of the project. All such commitments will be contingent only upon the award by a Grantee of a contract or commitment for payments, grants or loans to be made under the Act, except that conditions normally included in such commitments and which, in the sole opinion of the Corporation, are acceptable, will be deemed to satisfy the requirements of this section.
- (g) Evidence of the commitment for other types of public assistance in the form of land donation, tax exemption/tax abatement, infrastructure development, etc.

### **Section 2165.1 Selection factors.**

- (a) A Proposal may provide for the construction, rehabilitation or improvement of several structures or single structure(s) at several locations, including cooperatives and condominiums, based on the applicant's demonstration of need and how the proposed treatment will meet that need.
- (b) The Corporation will evaluate applications based on the following criteria which may be implemented through the application of program standards, revised from time to time, which will effect the requirements hereof, based on the Corporation's estimation and projection of the pool of applications which will be received while funds are available:
  - (1) extent to which the Proposal will serve a demonstrated need;
  - (2) extent to which the Proposal will serve the lowest income households possible in the applicable area and the measures designed to assure continued affordability;
  - (3) leveraging of private and public investment (special weight will be given to applications maximizing private investment);
  - (4) contribution of the Proposal to the improvement of the neighborhood or community;
  - (5) non-displacement of low and moderate income residents of the neighborhood and community;
  - (6) timely project commencement and completion;
  - (7) utilization of innovative, cost effective design techniques and building materials which reduce construction, Rehabilitation or operating costs;
  - (8) comprehensiveness of administrative plan and evidence of applicant's capacity to effectively implement and manage the project(s) or program; and
  - (9) extent to which applicant has a record of successful past performance in the program and other similar activities.

### **Section 2166.1 Preliminary funding approval.**

After responses to the request for Proposals are received, the Corporation will, on an ongoing basis, select the Proposals which, within the available funds, best meet the selection criteria set forth in Section 2165.1 of this Title, and will, on an ongoing basis, announce the names and the amounts of the grants to be awarded to the selected Eligible Applicants after each meeting of the members of the Corporation at which any such awards are made.

### **2166.2 Grant agreement.**

Thereafter, the Corporation and the applicant will sign a grant agreement incorporating the regulations contained herein and specifying the terms and conditions under which the grant will be provided. Among other matters, the grant agreement will provide for a reduction of the grant if project costs or expenses are reduced and conditions of financing are altered and such other restrictions as the Corporation may deem appropriate.

### **2166.3 Execution of grant agreement.**

Prior to execution of the grant agreement, the Grantee must submit for approval copies of any mortgages or other security instruments securing repayment of the public and/or private financing and of any mortgages or other security instruments securing repayment of the grant in the event the Owner breaches his/her obligations and such other contracts as are necessary to implement the program. All such commitments and contracts shall be conditional only upon the award of a grant, except that conditions normally included in such commitments and contracts and which, in the sole opinion of the Corporation, are acceptable, will be deemed to satisfy the requirements of this section.

### **Section 2167.1 Disbursement of funds.**

The method of disbursement of funds by the Corporation, whether on an advance basis or a periodic schedule, will be determined as appropriate in accordance with the Grantee's approved plan for making funds available for a project(s) or program and will be incorporated in the grant agreement.

### **2167.2 Fidelity bonds.**

If the Corporation so requires, fidelity bonds, covering the employees of the Grantee who will handle the funds to be received under the Act, will be required.

### **Section 2168.1 Program income.**

Any program income resulting from the Affordable Home Ownership Development Program grants to the Grantee will be returned to the Corporation. These funds may be derived from such sources as payments of principal and interest on loans made by Grantees, proceeds payable to the Grantee from the disposition of real property, investment income on grant funds prior to disbursement by the Grantee and recapture of funds from an Owner who fails to comply with his/her obligations.

### **Section 2169.1 Access to records.**

The Corporation or its designated agent will have access to all books, accounts, records, reports, files and other papers or property of Grantees or Owners pertaining to funds provided under the Act for the purpose of making surveys, audits, examinations, excerpts and transcripts.

### **2169.2 Grantee audits of Recipients.**

The Grantee's financial management system must provide for audits to be made by the Grantee or at its direction and at the expense of the Grantee, of Recipients, other than Home Buyers, with respect to information related to the program, in accordance with audit guidelines to be prescribed by the Corporation. The Corporation will take into account such audit reports in evaluating the performance of Grantees.

### **2169.3 Additional audits.**

The Corporation or its designated agent may undertake such further or additional audits as it finds necessary or appropriate.

### **Section 2170.1 General.**

Grantees will submit such reports related to the Affordable Home Ownership Development Program as the Corporation may reasonably require.

### **2170.2 Progress reports.**

Commencing from the date of execution of the grant agreement up to and including the date of project close out, the Grantee must submit quarterly progress reports in such form as the Corporation may require. Reports must include, but are not limited to, information concerning each project's construction schedule, construction costs, project occupancy and data on occupants' income levels, and problems, if any, encountered in carrying out the project(s) or program.

### **2170.3 Litigation.**

The Grantee will promptly notify the Corporation as to the existence of any litigation which may affect the project(s) or program.

### **Section 2171.1 Project close out.**

Project close out will occur when all costs to be paid with grant funds have been incurred, when the last progress report has been submitted and the last Home is sold to a Home Buyer, and no later than six months after the date for completion set forth in the grant agreement with the respective Grantee, or at such other time as the Corporation may establish. At such time, the Grantee must submit, in accordance with the Corporation's requirements, documentation of its grant disbursements and records, a certification of completion and final cost. Any cash advanced in excess of the final cost must be refunded to the Corporation.

### **2171.2 Grant assistance.**

The grant assistance may be canceled in whole or in part for mutual convenience if both parties agree that the project's continuation is infeasible or would not produce beneficial results commensurate with the further expenditure of funds.

### **2171.3 Termination of grant.**

The Corporation may terminate the Grantee's entire grant or the remaining balance for cause.

### **2171.4 Monitoring and submitting performance reports.**

Nothing in this section will relieve the Grantee of its continuing responsibility to monitor and submit performance reports regarding the requirements for occupancy of a Home or project, even though project close out has taken place.

### **Section 2172.1 Summary report.**

Grantees will submit, by December 15th of each year, in such format as the Corporation may require, a summary report of all project(s) or programs for which it has provided assistance during each annual period of December 1st through November 30th, indicating whether the construction, Rehabilitation or improvement has commenced and is underway or is completed. The initial report will cover the period from the date of the grant agreement through November 30th of the same calendar year in which the grant agreement was executed. Thereafter, each annual report will include a statement of accomplishments cumulative to the reporting date.

### **2172.2 Report requirements.**

The report shall include:

- (a) the amount of each payment, loan or grant and the identity of Recipients thereof;
- (b) a narrative description of the specific activities performed by the Grantee and the results thereof expressed in number of housing units;
- (c) location of Homes;
- (d) number of units in each category of Homes completed during the year or in process and a cumulative statement of such information from the commencement of the project(s) or program to the reporting date;
- (e) a report of the Grantee's continued monitoring of construction progress and conditions for recapture of funds and, if applicable to the Grantee's project(s) or program, for the limitation of the resale price of Homes;
- (f) a description of any problems encountered in advancing the project(s) or program, solutions developed to meet such problems, and whether any problems are currently outstanding;
- (g) in the case of all Grantees other than municipalities, an audited financial statement, prepared by an independent, certified public accountant, relating to the Grantee's most recent fiscal year; if the Grantee's fiscal year coincides with the calendar year, notwithstanding the provisions of

Section 2172.1 of this Part requiring the submission by December 15th, such statement must be submitted within 90 days after the close of the Grantee's fiscal year; and

- (h) a statement of costs (including expended and/or incurred costs) concerning the project(s) or program certified by the Grantee and relating to the period covered by the report.

### **2172.3 Failure by Grantee to meet requirements of grant agreement.**

If the Corporation determines that the Grantee has not met the requirements of the grant agreement, the Grantee will be notified and given an opportunity, within a prescribed time to show that it has done so or has taken curative action. If the Grantee fails to demonstrate that it has done so, the Corporation may take appropriate corrective or remedial action.

### **Section 2173.1 Corrective or remedial actions.**

In formulating appropriate corrective or remedial actions for performance deficiencies, the Corporation will take such actions as it deems appropriate to prevent a continuation of the deficiency or to mitigate, to the extent possible, its adverse effects or consequences, and to prevent its recurrence.

### **2173.2 Curing performance deficiencies.**

The Corporation, if it deems it appropriate to cure performance deficiencies, may take, among others, the following actions:

- (a) direct the Grantee to submit progress schedules for completing approved activities;
- (b) issue a letter of warning advising the Grantee of the deficiency, establishing a date for corrective actions, and putting the Grantee on notice that more serious actions will be taken if the deficiency is not corrected or is repeated;
- (c) inform the Grantee that certifications of any information the Corporation requires are no longer acceptable, and that additional information or assurances are required;
- (d) direct the Grantee to establish and follow a management plan that assigns responsibilities for carrying out remedial actions;
- (e) direct the Grantee to suspend, discontinue, or not incur costs for the affected activity;
- (f) direct the Grantee to reimburse the Grantee's program account in any amounts improperly expended;
- (g) change the method of payment from advance payment basis to a reimbursement basis; or
- (h) direct the Grantee to cancel the development grant project before expending further funds.

### **Section 2174.1 Reduction or termination of grant.**

When the Corporation determines that a Grantee has failed to meet one or more of the requirements of the grant agreement, the Corporation may reduce or recapture the grant, including amounts already obligated, or take other appropriate action. For purposes of this section, other appropriate action means any remedial action legally available, including, without limitation, demanding in writing that the Grantee reimburse (and the Grantee will reimburse) the Corporation in the amount of the ineligible costs, and bringing affirmative litigation, such as suits for declaratory judgment, specific performance, temporary or permanent injunctions and any other available remedies. In the event that the Corporation makes such a determination, then the Grantee will deliver to the Corporation all original documents relevant to the project(s) or program, including but not limited to any construction agreements, loan documents and any other related documents that the Corporation may require.

### **Section 2175.1 Type II actions.**

The following actions are added to the list of Type II actions contained in 6 NYCRR 617.13(d), and have been determined by the Corporation not to have a significant effect on the environment and do not require environmental impact statements or any other determinations:

- (a) The construction and location (or the allotment of State funds there-for) of a single, one to four family residential structure where the total area of the structure does not exceed 7,500 square feet and the surroundings are returned to their original condition after the construction or installation of the structure. It shall also include additions of no more than 1,500 square feet to existing residential structures. Such actions shall be deemed exempt.
- (b) The replacement, restoration, rehabilitation, reconstruction, renovation or demolition (and removal) of an existing residential structure (or the allotment of State funds there-for), where the structure to be modified or replaced will have substantially the same purpose and size as that replaced. The activities described above shall be limited to those which will have an interior area of not more than 7,500 square feet and will not involve a physical alteration of a total land area of more than 1.5 acres. Such actions shall be deemed exempt.

### **Section 2176.1 Statement of purpose.**

This policy statement is adopted pursuant to Section 2880 of the Public Authorities Law.

### **2176.2 Definition of terms.**

For the purpose of this policy statement, the following terms shall have the following meanings unless the context shall clearly indicate otherwise:

- (a) Agency shall mean the New York State Affordable Housing Corporation.
- (b) Contract shall mean an enforceable agreement entered into by the agency and a contractor, including purchase orders. Bond resolutions and purchase agreements are not contracts within the meaning of this section.

- (c) Contractor shall mean any persons or organizations providing goods, property or services to the agency pursuant to a contract.
- (d) Designated payment department shall mean that department within the agency to which a proper invoice is to be submitted by a contractor.
- (e) Prompt payment shall mean payment of a debt due and owing by the agency before interest accrues thereon pursuant to the specifications herein.
- (f) Proper invoice shall mean a written request for contract payment, setting forth the description, price and quantity of goods, property or services provided by a contractor in such form, and supported by such other substantiating documentation as the agency may reasonably require.
- (g) Receipt of invoice shall mean either (1) the date on which a proper invoice is received by the designated payment department, or (2) the date on which the agency receives the purchased goods, property or services covered by the proper invoice, whichever is later.
- (h) Set off shall mean the reduction by the agency of a payment due to a contractor by an amount equal to the amount of an unpaid legally enforceable debt owed by the contractor to the agency.

### **2176.3 Rules and regulations.**

- (a) Payment request procedure.
  - (1) Most contractors who are owed money by the agency shall send a proper invoice to the attention of Accounts Payable, the designated payment department of the agency. Accounts Payable will log the reception date of the invoice, and send the document to the unit within the agency that received the purchased goods, property or services from the contractor for review and verification.
  - (2) A small group of contractors will not have to request payment because their contracts provide for automatic payment at predetermined intervals without the necessity of an invoice. Accordingly, review and verification of the work of these contractors will take place prior to each scheduled payment date.
- (b) Schedule for prompt payment. The agency will adhere to the following schedule for prompt payment:
  - (1) For invoices received between April 29, 1988 and July 1, 1989, payment will be made within 45 calendar days after receipt of a proper invoice.
  - (2) For invoices received after July 1, 1989, payment will be made within 30 calendar days, excluding legal holidays, after receipt of a proper invoice.
  - (3) For contracts with predetermined payment dates, payment will be made on each such date.

This schedule will not apply in those instances where payment is being delayed for any of the exceptions listed in subdivision (e) or tolled for any of the reasons listed in subdivision (f) of this section.

- (c) Interest computation. If the agency fails to meet the prompt payment schedule set in this section, the agency will pay interest to the affected contractors at the rate equal to that set by the State Tax Commission for corporate taxes.
- (d) Funds available to pay interest penalties. The agency will pay penalties with monies drawn from earnings on investments, and agency fees and charges for both personal services contracts and non personal services contracts, the two types of contracts entered into by the agency.
- (e) Situations which justify extension of payment time for proper invoices. The following facts or conditions constitute exceptions to the prompt payment schedule set forth in subdivision (b) of this section:
  - (1) statutory or contract provisions requiring an inspection or an audit prior to payment;
  - (2) a requirement for State appropriation to authorize payment;
  - (3) a requirement for Federal government examination of a proper invoice prior to payment;
  - (4) extraordinary delay between the provision of goods, property or services by a contractor and the receipt of a proper invoice by the agency; and
  - (5) failure by a contractor to submit documents required by agreement prior to payment.

In addition, the agency is not responsible for the processing time taken by the State Department of Taxation and Finance, the State Division of the Budget, the Office of the State Comptroller, or any other external entity that is required by statute or regulation to approve or process agency payments.
- (f) Reasons which justify the tolling of payment time for invoices. The following facts or conditions toll the prompt payment schedule set forth in subdivision (b) of this section:
  - (1) the existence of defects in the goods, property or services delivered;
  - (2) the existence of defects in the invoice; and
  - (3) suspected improprieties of any kind.
- (g) Tolling regulations. In order to toll the prompt payment schedule without penalty, the agency has 15 days after receipt of an invoice to send a contractor notification of defects or improprieties. Agency notification shall be in the form of a standardized letter. In the event that the agency fails

to act within 15 days, once the defect or impropriety is corrected, the number of days allowed for payment is reduced by the number of days between the 15th day and the date of notification. In the event that the agency's contentions are proved unreasonable, the date by which contract payment shall be made is calculated from the date of receipt of invoice. For those contracts which provide for scheduled payments without an invoice, the same 15 day regulations apply.

#### **2176.4 Reports.**

- (a) Statement filing. Within 30 days of the adoption of this statement, and of any amendments hereto, the agency shall file copies with the State Comptroller, the State Director of the Budget, the Chairman of the Senate Finance Committee and the Chairman of the Assembly Ways and Means Committee.
- (b) Annual report. Within 90 days after the end of each fiscal year following January 1, 1989, the agency shall prepare an annual report on the scope and implementation of this prompt payment policy. The report shall include, but not be limited to, the following:
  - (1) a listing of the types or categories of contracts which the agency entered into during the 12 month period of the report, with an indication whether each such contract was subject to the prompt payment requirements, and if not, why not;
  - (2) the number and amount of interest payments made for contracts, arranged according to each such type or category;
  - (3) the number of interest chargeable days, and the total number of days taken to process each late contract payment; and
  - (4) a summary of the principal reasons why such late payments had to be made.

Copies of this report shall be filed with the State Comptroller, the State Director of the Budget, the Chairman of the Senate Finance Committee and the Chairman of the Assembly Ways and Means Committee.

#### **2176.5 Miscellaneous provisions.**

- (a) Statement amendment. The agency shall have the power to amend this policy statement by promulgating amended rules and regulations at any time.
- (b) Contract incorporation. The policy statement in effect at the time of the creation of a contract is hereby incorporated into and made a part of that contract.
- (c) Public access. The agency shall make copies of this policy statement, as well as the annual report, available to the public upon reasonable request at the agency's main office. In addition, the agency shall provide a copy of this policy statement to each contractor.
- (d) Inapplicability of statute. The statute authorizing this statement is not applicable to the agency's contracts with other governmental agencies, to interest on judgments rendered by a court against the agency pursuant to any other statute, or in situations where the agency exercises a legally authorized set off against all or part of a payment due a contractor.

- (e) Legal processes. The agency is under no liability to pay interest pursuant to the statute after a contractor has filed a claim or given notice of an intention to file a claim or commenced legal action for payment of interest.

## **APPENDICES**

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- I: AHC Occupancy/Repayment Table**
- II: New York State Regional List**
- III: Document Checklist**

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**APPENDIX I: AHC Occupancy/Repayment Table**

**AHC OCCUPANCY / REPAYMENT TABLE**

NEW CONSTRUCTION AND ACQUISITION / REHABILITATION PROJECTS												
Period of Occupancy in Months		Equivalent Years			Grant Amount to be Repaid							
at least	but less than	at least	but less than	% to be repaid	\$40,000	\$35,000	\$30,000	\$25,000	\$20,000	\$15,000	\$10,000	\$5,000
1 Day	64	0	5.3	100%	\$40,000	\$35,000	\$30,000	\$25,000	\$20,000	\$15,000	\$10,000	\$5,000
64	66	5.3	5.5	90%	\$36,000	\$31,500	\$27,000	\$22,500	\$18,000	\$13,500	\$9,000	\$4,500
66	76	5.5	6.3	80%	\$32,000	\$28,000	\$24,000	\$20,000	\$16,000	\$12,000	\$8,000	\$4,000
76	78	6.3	6.5	70%	\$28,000	\$24,500	\$21,000	\$17,500	\$14,000	\$10,500	\$7,000	\$3,500
78	88	6.5	7.3	60%	\$24,000	\$21,000	\$18,000	\$15,000	\$12,000	\$9,000	\$6,000	\$3,000
88	90	7.3	7.5	50%	\$20,000	\$17,500	\$15,000	\$12,500	\$10,000	\$7,500	\$5,000	\$2,500
90	100	7.5	8.3	40%	\$16,000	\$14,000	\$12,000	\$10,000	\$8,000	\$6,000	\$4,000	\$2,000
100	102	8.3	8.5	30%	\$12,000	\$10,500	\$9,000	\$7,500	\$6,000	\$4,500	\$3,000	\$1,500
102	112	8.5	9.3	20%	\$8,000	\$7,000	\$6,000	\$5,000	\$4,000	\$3,000	\$2,000	\$1,000
112	114	9.3	9.5	10%	\$4,000	\$3,500	\$3,000	\$2,500	\$2,000	\$1,500	\$1,000	\$500
114		9.5		0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Recapture Obligations for Home Improvement projects are as follows:**

- Less than or equal to \$5,000 = 2 Years
- \$5,001 - \$10,000 = 5 Years
- Over \$10,000 = follows chart above

## **APPENDIX II: New York State Regional List**

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### **(1) WESTERN NEW YORK**

Allegany, Cattaraugus, Chautauqua, Erie, Niagara Counties

### **(2) FINGER LAKES**

Genesee, Livingston, Monroe, Ontario, Orleans, Seneca, Wayne, Wyoming, Yates Counties

### **(3) CENTRAL NEW YORK**

Cayuga, Cortland, Madison, Onondaga, Oswego Counties

### **(4) SOUTHERN TIER**

Broome, Chemung, Chenango, Delaware, Schuyler, Steuben, Tioga, Tompkins Counties

### **(5) MOHAWK VALLEY**

Fulton, Herkimer, Montgomery, Oneida, Otsego, Schoharie Counties

### **(6) CAPITAL REGION**

Albany, Columbia, Greene, Rensselaer, Saratoga, Schenectady, Warren, Washington Counties

### **(7) NORTH COUNTRY**

Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, St. Lawrence Counties

### **(8) MID-HUDSON**

Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster, Westchester Counties

### **(9) LONG ISLAND**

Nassau, Suffolk Counties

### **(10) NEW YORK CITY**

Bronx, Kings, New York, Queens, Richmond Counties

### **APPENDIX III: Document Checklist**

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Applicants must complete the included Checklist for submission with the Proposal. The checklist for Home Improvement Projects is on the following pages.

**New York State Affordable Housing Corporation  
Home Improvement Document Checklist**

**Project:** \_\_\_\_\_  
**Applicant:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**Part I: Certifications**

- Applicant Certification

**Part II: Exhibits**

**Exhibit A: Project Information and Description**

- Grantee Information  
 Project Information  
 Project Narrative Description  
 Model Information  
 Site Information  
 Income and Area Data  
 Potential Applicants List

**Exhibit B: Financial Plan**

- Sources  
 Uses - Project Budget  
 Grantee Administrative Costs  
 NPC/RPC Certification (if applicable)

**Exhibit C: Management Plan**

- Program Administrative Plan including:
- General Program Operations
- Applicant Income and Asset Qualifications
- Construction Work Plan
- Financial Management and Accounting Procedures
- Compliance Methodology
- Orientation/Training Program
- Complaint Resolution Procedures
- Mortgage Execution and Recording Procedures
- Occupancy Monitoring Procedures
- Participating Parties Information
- Marketing Plan
- Affirmative Marketing/Fair Housing Plan
- Preference Plan (if applicable)

**Other Exhibits**

- Exhibit D: Schedule of Activities
- Readiness to Proceed Narrative
- Exhibit E: Cash Drawdown Schedule
- Exhibit F: Temporary Relocation Plan
- Exhibit G: Equal Employment Opportunity Agreement
- Exhibit H: Minority and Woman Owned Business Utilization Agreement

**Part III: Applicant and Development Team**

Currently submitting with this application:

Submitted with another 2016-2017 application:

- |   |                          |                          |                          |           |
|---|--------------------------|--------------------------|--------------------------|-----------|
| <input type="checkbox"/> Applicant Qualifications                                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Applicant |
| Corporate Resume/Brochures  | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Applicant Prior AHC Experience                                 | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Applicant Staff Resumes  | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Applicant Certificate of Incorporation                         | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Applicant Financial Statements                                 | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Applicant Certification of No Litigation                       | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Applicant Statement of Disbarment,<br>Litigation or Conviction | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Developer Corporate Brochure                                   | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Developer Corporate Resume                                     | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Developer Prior AHC Experience                                 | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Developer Staff Resumes  | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Developer Financial Statements                                 | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Builder Corporate Resume/Brochure                              | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Builder Prior AHC Experience                                   | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Builder Staff Resumes  | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Builder Financial Statements                                   | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Architect Qualifications/Resumes/Brochures                     | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Construction Monitor Qualifications/Resume                     | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Engineer Qualifications/Resumes/Brochures                      | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Other Participating Parties' Qualifications/Resumes            | <input type="checkbox"/> |                          |                          |           |
| <input type="checkbox"/> Notification to Municipality, Officials and Legislators        | <input type="checkbox"/> |                          |                          |           |

**Part IV: Environmental Requirements**

- Flood Hazard Area and State and/or National Register of Historic Places certifications

**Part V: Supporting Documentation**

- Agreement between Grantee and Participating Parties
- Commitments - Non-AHC Sources
- Homeowner Warranty (if available)
- Insurance
- Other