



New Construction Program

Middle Income Housing Program

Homes for Working Families

NEW CONSTRUCTION PROGRAM (NCP): NCP provides subordinate financing for the new construction or adaptive reuse of rental housing affordable to households that may advance one or more of the specific housing priorities of New York State. These priorities include the redevelopment of State-owned and municipally-owned sites and developments that meet critical needs in their communities, family housing in high performing school districts, community redevelopment and revitalization, and developments specifically supported by the Regional Economic Development Councils and the Downtown Revitalization Initiative. HCR reserves the right to allocate funding to ensure that the broad range of statewide housing needs are met.

Projects must have 50% of the units affordable to households earning less than 60% AMI. Projects with units set aside for households earning between 60% AMI and 130% AMI may apply for supplemental funds under the Middle Income Housing Program (MIHP), as described below. High priority projects may also be eligible for funding under the Homes for Working Families (HWF) program to supplement maximum awards under this program, as described below. All sources are considered gap financing based on demonstrated need for such funding by HCR underwriting standards. Actual award amounts must be recommended by HCR staff, and approved by HCR Credit Committee, the HTFC and/or HFA Board as applicable. Applicants are strongly encouraged to apply for only the funding necessary for the financial feasibility of the project and to leverage funding from non-HCR sources.

New York City: Funding is reserved specifically for projects located in the City of New York in which all units are restricted to households earning up to 60% AMI, and projects which apply for funding under this program and meet these criteria will automatically be considered for an award of these reserved funds. Projects must comply with all terms of this program, including per unit maximums. Priority shall be given to not-for-profit applicants that have prior experience in community development projects with at least 51% controlling interest in such projects, and which propose projects that utilize state or city-owned land. Eligible applicants should describe their relevant experience in the application.

Eligible Uses	<p>New construction of, or the adaptive reuse of non-residential property to, affordable housing, including site acquisition, hard, and related soft costs.</p> <p>Construction and permanent financing available.</p> <p>Financing is available for site-specific multi-family rental housing that will have first mortgages financed by tax-exempt or taxable bonds issued by HFA. On a select basis, subordinate second mortgage financing is available for projects securing a commitment for a 30-year, fixed rate first mortgage loan with required mortgage insurance from a private institutional lender.</p> <p>In New York City, a priority for these funds will be for projects being developed on sites owned by or previously owned by the State of New York.</p>
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Area Median Income Restrictions	At least 50% of the units in the project must be affordable to households earning no more than 60% AMI. HCR will not provide subsidy to the low-income component of 80/20 projects.
Maximum Award	<p>New York City and Westchester, Nassau & Suffolk Counties: Up to \$140,000 per housing unit with a household income limit of up to 60% AMI.</p> <p>Rest of State: Up to \$95,000 per housing unit with a household income limit of up to 60% AMI.</p> <p>Projects are strongly encouraged to secure other, non-HCR subsidy resources. The maximum per unit awards are expected for projects unable to secure leveraged resources and/or for projects where prevailing wages are required.</p>
Interest Rate and Loan Terms	0.5% interest-only paid during construction and permanent. 30 year term.
Priorities	Economic Development Projects, Community Renewal and Revitalization Projects, Housing Opportunity Projects, Workforce Opportunity Projects, Disaster Relief Projects, Downtown Revitalization Initiative Projects
Eligible Applicants	Not-for-profit corporations or charitable organizations, or a wholly owned subsidiary of such corporations or organizations, or private for-profit developers.
Regulatory Agreement Requirements	Minimum 30 year regulatory agreement.
MIDDLE INCOME HOUSING PROGRAM SUPPLEMENT	
Description	The Middle Income Housing Program (MIHP) provides gap funding to developments that include a component of units that will be occupied by households earning up to 130% of AMI. Resources will go to projects in areas that serve three goals: housing opportunity, revitalization and stabilization.
Area Median Income Restrictions	<p>At least 10% but no more than 30% of the units within the project must be for households with incomes over 60% AMI and up to 130% AMI. Projects must meet the standard tax exempt bond and LIHTC low income set aside requirements.</p> <p>HCR will allow a reduced rent burden to encourage middle- and moderate-income households to reside in economically distressed neighborhoods, such as a Qualified Census Tract (QCT) or a downtown revitalization effort. In such cases, HCR will allow up to a 20% rent advantage for middle income tenants. For example, if the rent of a MIHP unit is set at an 80% AMI affordability level, it may be rented to households up to 100% AMI.</p>

	Outside of a QCT, a project must be able to achieve rents that are affordable to households with incomes of at least 80% AMI in order to access MIHP.
Maximum Award	New York City and Westchester, Nassau & Suffolk Counties: Up to \$140,000 per housing unit with a household income limit above 60% AMI and up to 130% AMI. Rest of State: Up to \$95,000 per housing unit with a household income limit above 60% AMI and up to 130% AMI.
Priorities	Housing Opportunity Projects, Mixed Income Revitalization Projects, Middle Income Stabilization Projects, 20% or more 2 Bedroom or Larger Units.
HOMES FOR WORKING FAMILIES PROGRAM SUPPLEMENT	
Description	Homes for Working Families (HWF) may be used for high priority projects to supplement maximum awards under this program. Projects may apply for HWF funding only in conjunction with this funding if subsidy above the per residential unit maximum is needed. HWF may only be used for projects that are financed by HFA tax-exempt bonds.
Maximum Award	Up to \$125,000 per housing unit with a household income limit of up to 60% AMI. Up to \$4 million per project.
Geographic Targeting	Up to \$2.5 million may be awarded to projects in NYC. Up to \$6.5 million may be awarded to projects in Westchester, Nassau & Suffolk counties. No more than 50% may be awarded to a single municipality.

HCR retains the right to revise this term sheet from time to time and to waive any requirement contained therein, subject to the applicable statutes and program regulations. HCR also retains the right to not award any or all of its funds under this program. All proposals must comply with all federal, state and local laws.