



## HOME

**HOME PROGRAM:** HCR will provide this federal financing source for the acquisition, rehabilitation or construction for site-specific multi-family rental housing projects. Applicants are reminded that Davis-Bacon wage requirements are applicable to construction and/or preservation of all projects with 12 or more HOME-assisted units.

It is one of the purposes of the HOME Program to provide, to the greatest extent feasible, and consistent with existing federal, state and local laws and regulations, job training, employment, contracting and other economic opportunities to low- and very low-income persons and locally owned enterprises, pursuant to Section 3 of the Housing Act of 1937. Federal law and regulations require that recipients of federal funds of more than \$200,000 for new construction or rehabilitation projects, and their contractors, agree to comply with the provisions set forth at 24 CFR Part 135.

New York State is required to set-aside a minimum of 15% of HOME funds for locally-based non-profit entities that qualify as Community Housing Development Organizations (CHDOs). For a HOME multi-family rental project to qualify under the CHDO set-aside, the project ownership structure must comply with the terms of 24 CFR 92.300 of the 2013 HOME Final Rule. In acting in any of the capacities specified, the CHDO must have effective project control. A CHDO must state in the application, and in the project owner's organization documents that the CHDO has effective project control. Please review the information in the HUD HOME 2013 Final Rule, to ensure that the project meets all requirements for CHDO control of the project if you intend to compete under the CHDO set-aside.

If HOME funds are being requested to demolish, rehabilitate, or acquire an occupied property (either residential or non-residential), applicants must comply with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (49 CFR Part 24), Section 104 (d) of the Community Development Act, and the HOME Regulations (24 CFR Part 92) regarding rules for relocation of occupants. Applicants should also refer to HCR's Residential Antidisplacement and Relocation Assistance Plan and Appeals Process available at:

[hcr.ny.gov/multifamily](http://hcr.ny.gov/multifamily)

Applicants must also provide HCR with the information necessary to complete a National Environmental Policy Act (NEPA) review in accordance with 24 CFR Part 58. Note that the NEPA review for a project can add three or more months to the environmental review time. For any project awarded HOME funds, a federal environmental review (NEPA review) performed in accordance with 24 CFR 58 MUST also be completed and approved by HCR prior to any choice-limiting activities conducted regarding the proposed project or project site(s), including entering into an AHAP, or commencing any form of project site preparation or construction. Any such choice-limiting activity conducted on the site by any party prior to completion of NEPA by HCR, and receipt of HCR authorization to begin construction, will result in termination of the HOME award for the project. Applicants must account for the timeframe for completing the NEPA Review in preparing their application's development timetable.

<p><b>Eligible Uses</b></p>	<p>Residential only. Any customary development hard costs, acquisition related soft costs or relocation costs. HCR will not allow HOME capital funds to be used for the purchase of furniture and equipment. If the project is funded by more than one source of HOME funds, total HOME funds from all participating jurisdictions must be within published HOME maximum subsidy limits.</p> <p>Permanent financing only.</p>
<p><b>Area Median Income Restrictions</b></p>	<p>HOME assisted rental units must be occupied by households with incomes at or below 60% of Area Median Income.</p> <p>For projects seeking funding under the Middle Income Housing Program (MIHP), at least 10% but no more than 30% of the units in the project must be for households with incomes over 60% AMI (above 80% AMI if LIHTC income averaging is utilized) and up to 130% AMI. 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 project which is a component of 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. Projects outside of a QCT or which are not a component of a downtown revitalization effort must be able to achieve rents that are affordable to households with incomes of at least 80% AMI in order to access MIHP funding.</p>
<p><b>Per Residential Unit Maximum Award</b></p>	<p>HOME Program Subsidy Limits vary by bedroom size. See Reference Materials for HOME Program Subsidy Limits.</p> <p>For MIHP financed units, up to \$140,000 in MIHP per unit in New York City, Westchester, Nassau &amp; Suffolk counties, and up to \$95,000 in MIHP per unit in all other counties.</p>
<p><b>Per Project Maximum Award</b></p>	<p>Up to \$2,640,000 per project, with the following exception: up to \$3,740,000 per project for family projects meeting Housing Opportunity Project criteria, as cited in the 9% LIHTC Set-Aside, with an average of 2 bedrooms provided in the project.</p>
<p><b>Interest Rate and Loan Terms</b></p>	<p>0.5% interest-only. Minimum of 30 year term, up to 50 year term.</p>
<p><b>Eligible Applicants</b></p>	<p>Individuals and private for profit and not-for-profit organizations with a demonstrated capacity to develop feasible projects; units of local government which are not HOME participating jurisdictions, either directly or part of a HOME consortium, as are agencies under their control; CHDO's which are community based, not-for-profit organizations with experience in providing low-income housing assistance.</p>

<b>Priorities</b>	Supportive housing projects with at least 30% supportive units (25% for projects with OPWDD units) to be developed by not-for-profit organizations; Housing Opportunity Projects
<b>Regulatory Agreement Requirements</b>	Minimum of 30 year term, up to 50 year term.

*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 applicable federal, state and local laws.*