NYS HOME PROGRAM 2023 REQUEST FOR APPLICATIONS

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1. INTRODUCTION

Eligible partners are invited to submit applications for HOME Investment Partnerships Program funds allocated to New York State by the Department of Housing and Urban Development (HUD) for the NYS HOME Program.

The NYS HOME Program is administered by the Housing Trust Fund Corporation's (HTFC) Office of Community Renewal (OCR) and funds a variety of activities across the State to expand the supply of decent, safe, and affordable housing for low and moderate- income families.

This Request For Applications (RFA) details the requirements to apply for NYS HOME Program funds and explains the process by which applications will be evaluated. All information and materials required for application are posted on the NYS HOME Program website, NYS HOME Program | Homes and Community Renewal including but not limited to the following:

- Link to the Community Development Online Application System (CDOL)
- 2023 CDOL and HOME Application Instructions
- HOME Budget Worksheet
- Grant Verification Form
- HOME Local Program Schedule

2. AVAILABLE FUNDING

Approximately \$10 million in Federal Fiscal Year (FFY) 2023 and prior years NYS HOME Program funds are available through this RFA.

This amount is an approximation for expected awards and the HTFC reserves the right to award all, more than identified, a portion of, or none of the available funds based upon funding availability, feasibility of the applications received, the competitiveness of the applications, an applicant's ability to meet HTFC criteria for funding, the applicant's ability to advance the State's housing goals, and HTFC's assessment of cost reasonableness.

3. ELIGIBLE APPLICANTS

Eligible applicants are units of local government including Counties, Cities, Towns and Villages, non-profit organizations incorporated under State Non-Profit Corporation Law, and Public Housing Authorities.

New York State distributes HOME Program funds throughout the state with the majority of funds being awarded in non-HOME Participating Jurisdictions. While all areas of New York State are eligible, programs located within another HOME Participating Jurisdiction (PJ) that offer funds for the same proposed activity, should provide evidence of funding commitments from the alternate local HOME PJ leveraging additional funds for the application and reducing funds needed from the NYS HOME Program.

To be eligible to apply, applicants must have been in existence for at least one year prior to application, providing recent and relevant residential housing services to the community.

Applicants must be able to demonstrate a local market need for the proposed service area, capacity to administer and complete the program in the contract term, and knowledge of HOME program regulations.

4. APPLICATION SUBMISSION DEADLINES

Application Open Date: Friday July 14, 2023

Application Due Date: Thursday September 7, 2023

Applications must be submitted using the Community Development Online Application System (CDOL) at: Community Development Online | Homes and Community Renewal (ny.gov) and certified by the applicant no later than 4:00 PM, EST, on September 7, 2023. The application includes information entry and the submission of uploaded attachments as detailed in the 2023 CDOL and HOME Application Instructions here NYS HOME Program | Homes and Community Renewal.

Applicants may request to submit a paper application in lieu of using the CDOL system based on demonstrated need. Requests may be emailed to ocrinfo@hcr.ny.gov.

The above-stated application deadline is firm as to date and hour. In the interest of fairness to all competing applicants, applications or materials received after the specified date and time will be deemed ineligible and will not be considered for funding. Applicants should make early submission to avoid risks of ineligibility resulting from unanticipated delays or other delivery-related problems.

5. ELIGIBLE ACTIVITIES & FUNDING LIMITS

Applicants must select one activity per application. More than one activity may not be combined into one application or, if awarded, contract. While any number of applications may be submitted, applicants are limited to a maximum of two (2) potential awards, assuming demonstrated capacity.

Applications will be accepted for the following activities:

A. Housing Rehabilitation

Funds may be requested for the moderate repair/rehabilitation of owner-occupied, single-family dwellings.

All HOME assisted units must meet NYS and/or Local Code upon completion of construction activities.

Applicants that wish to assist rental units must receive special prior approval to apply by contacting Homeprogram@hrc.ny.gov and must demonstrate superior knowledge of HOME rental requirements.

Maximum Award up to \$600,000 – Maximum Per-unit up to \$65,000

B. Manufactured Housing Replacement

Funds may be requested to demolish and dispose of a sub-standard, owner-occupied manufactured or mobile home and replace it with a new manufactured home.

Units must be installed on the same lot and can replace a unit that was demolished within the 12 months prior to the date of commitment.

Assistance may be provided to replace manufactured homes in parks (where land is rented

by the homeowner), parks cooperatives, or for homes sited on land owned by the homeowner.

Programs may propose to provide assistance to specific manufactured home parks, including overall park infrastructure and scattered site replacement units.

Applicants that wish to provide both replacement of existing units and purchase new units for currently vacant sites must receive prior approval to apply by contacting Homeprogram@hcr.ny.gov.

Maximum Award up to \$1,400,000 – Maximum Per-unit up to \$140,000

C. Homebuyer Down Payment Assistance

Funds may be requested to assist homebuyers with down payment and/or closing costs to purchase a single family, non-HOME assisted existing home, newly constructed home, condominium, or co-op.

The home to be purchased must meet NYS and/or local Code prior to closing.

Funds may also be requested to assist with housing rehabilitation for the home to be purchased in addition to down payment and/or closing costs assistance.

Applicants that wish to assist purchasing homes that include rental units must receive special prior approval to apply by contacting Homeprogram@hcr.ny.gov and must demonstrate superior knowledge of HOME rental requirements.

Without Rehab Maximum Award up to \$800,000 – Maximum Per-unit up to \$80,000

With Rehab Maximum Award up to \$800,000 – Maximum Per-unit up to \$100,000

D. Tenant Based Rental Assistance (TBRA)

Funds may be requested to assist families at or below 60% of area median income with:

- Rental assistance including utility costs
- Security deposits of up to one month's rent, provided as stand-alone assistance or in conjunction with a TBRA rental assistance
- Utility deposits (only in conjunction with rent or security deposits)

Renters living in traditional units as well as renting manufactured homes are eligible.

Applications for one-time support to cover tenant security deposits and first/one month rental assistance are highly encouraged. Applicants that can administer regional TBRA programs to promote greater geographic coverage are preferred. Partnerships with legal services, Section 8, and other related organizations exhibiting formal referral arrangements should be demonstrated.

Maximum Award up to \$600,000 – Maximum Per-unit up to \$50,000

6. ADMINISTRATIVE FUNDS AND PROJECT DELIVERY

Applicants may apply for up to 5% of the total award for administrative costs and up to 13% of the total award for project delivery.

7. CONTRACT TERM

If awarded, the contract term shall not exceed 30 months (2.5 years).

This contract term includes a built-in extension therefore requests for further extensions to complete program activities will be limited or not approved. All awarded projects will be monitored monthly for progress and OCR reserves the right to rescind the award partially or in full if satisfactory progress cannot be demonstrated. A schedule for generally expected program progress is posted on the HOME Program website at NYS HOME Program | Homes and Community Renewal

If awarded, HTFC may, at its sole discretion, provide need-based awards to commit additional grant funds to existing contracts specifically for the continuance or expansion of eligible activities. Additional funds are subject to board approval.

8. PROGRAM REQUIREMENTS

Federal regulations set forth at 24 CFR Part 92 govern the NYS HOME Program <u>eCFR</u> :: 24 <u>CFR Part 92 -- Home Investment Partnerships Program</u>. The following is a list, though not exhaustive, of specific HOME regulations and other program requirements that apply to the NYS HOME Program. Applicants are expected to understand and comply with all governing regulations if awarded and will be monitored to ensure compliance. These requirements are further detailed in the HOME Administrative Plans here <u>NYS HOME Program | Homes and Community Renewal</u>.

A. Income Limits

All households assisted must be under 60% of the area median income for the service area for TBRA and 80% of area median income for all other activities as defined by HUD HOME income limits here <u>HOME Income Limits - HUD Exchange</u>.

B. Homeownership Value Limits (Maximum purchase price or After rehab value)

The estimated value of a property at purchase or after rehab cannot exceed the HUD limits for the local jurisdiction at the time of commitment published here HOME Income Limits - HUD Exchange.

C. Environmental Review

NYS HOME program is subject to the provisions of the National Environmental Policy Act (NEPA) <u>Environmental Review - HUD Exchange</u> and State Environmental Quality Review Act (SEQRA) <u>State Environmental Quality Review Act (SEQRA) Basics | Department of State (ny.gov).</u>

For most HOME funded activities, NEPA is applied in two stages. First, an overall programmatic environmental review (Tier 1 Review) is completed to ensure that general program activities will not harm the environment. Second, a site-specific environmental review (Tier 2 Review) must be completed for each site/project selected for HOME assistance. This second review is to ensure that a specific activity to be undertaken at a specific site will not harm the environment.

HTFC will assist awardees with the process and is the Responsible Entity for non-profit organizations. Units of local government act as their own Responsible Entity for the environmental review process, however HTFC must ultimately request use of funds from

HUD.

Under no circumstances will the HTFC approve the release of funds for a project or activity where an approved environmental review was not conducted in advance, and in accordance with all applicable rules and regulations.

D. Smart Growth

The Housing Trust Fund Corporation is subject to the New York 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.

E. Lead Based Paint Regulations

HOME programs must comply with the lead-based paint requirements implemented at 24 CFR Part 35 <u>Lead-Based Paint - HUD Exchange</u> and <u>About Lead-based Paint | HUD.gov / U.S. Department of Housing and Urban Development (HUD).</u> This regulation defines work practices that must be followed when managing lead-based paint in older structures and requirements to protect occupants and workers from lead-based paint hazards until lead hazard reduction work is completed.

Lead hazard evaluation and reduction activities for rehabilitation projects are determined by the level of federal assistance received by the project and the per unit evaluation of hard costs. Interim controls are required for projects assisted with less than \$25,000 in Federal Funds. Projects assisted in excess of \$25,000 in Federal funds are subject to abatement. The Lead Based Paint Calculation Worksheet must be completed to document compliance.

Under no circumstances will the HTFC approve the release of funds for a project or activity where lead safe practices and lead safe clearance were not conducted in accordance with all applicable rules and regulations.

F. Davis Bacon Related Acts

Programs that undertake construction or rehabilitation activities on 12 or more HOME assisted units within the same construction contract must comply with the Federal Labor Standards requirements (Davis Bacon Related Acts) as outlined in 40 USC 276 Office of Davis-Bacon and Labor Standards | HUD.gov / U.S. Department of Housing and Urban Development (HUD). This regulation requires that workers receive no less than the prevailing wages being paid for similar work in their locality.

G. Section 3 Requirements

Housing construction and rehabilitation projects as well as public works projects that receive more than \$200,000 in HOME Investment Partnership Program (HOME), Community Development Block Grant (CDBG), federal Housing Trust Fund or other funding from the U.S. Department of Housing and Urban Development (HUD) must comply with Section 3 of the Housing and Urban Development Act of 1968 ("Section 3").

Section 3 requires that economic opportunities generated by HUD funds be prioritized for low-income individuals and the businesses that hire or are owned by them, particularly in the neighborhood surrounding the project. All entities involved in the Section 3 Project (the Recipient of the HUD funds, the General Contractor, other contractors, and subcontractors) must, to the greatest extent feasible, engage in efforts to achieve Section 3 goals and objectives.

Projects that trigger Section 3 will be required to report on these numbers mid-year and end-year as well as at project close-out.

More information and guidance on Section 3 compliance can be found in NYSHCR's Section 3 Policy Manual here <u>Section 3 Compliance | Homes and Community Renewal (ny.gov)</u>.

H. Property Standards and HTFC Housing Rehabilitation Standards

With the exception of TBRA, which must meet Housing Quality Standards (HQS), all other HOME projects must meet all applicable New York State and/or Local Code and provide certification at project completion along with HTFC rehabilitation standards to ensure that housing is decent, safe, and sanitary as described in HOME regulations at 24 CFR 5.703.

I. Reasonable Accommodations and Modifications

HOME programs must be in compliance with the Fair Housing Act, Section 504, as applicable. Accommodations and modifications to address accessibility needs can and should be paid with HOME funds.

J. Equal Employment and Minority and Women Owned Business Participation

The HOME Program regulation at 24 CFR 92.351 (b) requires all HOME funded programs and projects to adopt affirmative marketing procedures and include, to the maximum extent feasible, minorities and women and entities owned by minorities and women to be provided employment and contracting opportunities funded by the HOME program.

If HOME Program Funds are combined with New York State funds in a program or project, then State requirements are triggered. Article 15-A of the State Executive Law requires that only State certified (as certified by Empire State Development Corporation) MWBEs shall be given the opportunity for meaningful participation in the performance of State-assisted contracts and to facilitate the award of a fair share of State assisted contracts and subcontracts to such enterprises.

More information can be found here <u>Minority & Women's Business Development | Empire State Development (ny.gov)</u>.

For federal HOME Program reporting purposes, all MWBEs (that meet the federal definition of business enterprises that are 51% minority or women owned) that have been hired to provide services for the NYS HOME Program contract must be reported on.

K. Non-Discrimination

No person in the United States shall, on the grounds of race, color, national origin, religion, or sex be excluded, denied benefits, or subjected to discrimination under any program funded in whole or in part by NYS HOME Program funds. Applicants are subject to all federal and State fair housing and equal opportunity laws and orders, as referenced in 24 CFR Parts 92.350 and 92.351 to include: Title V of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.), The Fair Housing Act (42 U.S.C. 3601-3620.), Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259), Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107). More information is located here Fair and Equitable Housing Office | Homes and Community Renewal (nv.gov)

L. Uniform Relocation Assistance

The HOME Program is subject to an overall policy of minimizing displacement and is subject to the Uniform Relocation Act and Section 104(d) of the Housing and Community Development Act of 1974, as amended.

The HTFC HOME & CDBG Residential Anti-displacement & Relocation Assistance Plan, available on the HCR website, establishes the policy to minimize displacement as a result of an investment by the federal HOME and CDBG programs. NYS HOME programs must provide reasonable benefits and relocation assistance to any person involuntarily and permanently displaced as a result of the use of NYS HOME Program funds. Any purchase of property meeting the requirements of the URA must be documented, including provision of notices to the seller identifying the transaction as a voluntary sale not under the threat of eminent domain.

M. Weatherization Assistance

The NYS HOME program partners with the NYS HCR Weatherization Assistance Program (WAP) to provide weatherization assistance for housing rehabilitated with HOME funds.

To the extent resources are available, WAP funds and construction services to perform weatherization activities will be made available to rehabilitated units through the HCR WAP provider located in the service area.

Weatherization measures should be incorporated into the HOME scope of work. The WAP will provide the required Energy Audit for all units assisted with WAP funds.

Priority should be given to senior citizens, families with children, and persons with disabilities. If a household contains a member who receives Supplemental Security Income (SSI), Public Assistance, Food Stamps, or Home Energy Assistance Program (HEAP) benefits, the household is automatically eligible for WAP.

N. Affirmatively Furthering Fair Housing

The NYS HOME Program must comply with all federal, New York State, and local laws, executive orders and regulations pertaining to Fair Housing and Equal Opportunity. These include, but are not limited to:

- > Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seg.)
- The Fair Housing Act (42 U.S.C. 3601-3620)
- Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259)
- > Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107)
- New York State Human Rights Law (N.Y. Exec. Law 290 et seg.)
- New York State Criminal Conviction & Credit Individualized Assessment Policy

Programs are required to develop an Affirmative Marketing Plan that relies on local knowledge and decision making in order to determine the best strategies for compliance. This Plan will be reviewed for compliance during contract monitoring.

9. ADMINISTRATIVE PLANS

NYS HOME Program Administrative Plan describes the policies and procedures that HOME Programs must follow NYS HOME Program | Homes and Community Renewal. These plans

should be reviewed prior to application to ensure the ability to comply with all state and federal regulations, deliver HOME eligible units upon completion, and expend funds within a 30 month contract term.

Policies and procedures contained in the Plan must be followed and will be enforceable along with all aspects of an awarded contract and Federal HOME Investment Partnership Program regulations at 24 CFR Part 92.

10. TECHNICAL ASSISTANCE

The RFA and CDOL Application Instructions provide detailed guidance for completing the application as well as troubleshooting issues with the CDOL system.

Applicants may request technical assistance before or during the application process by submitting questions via email to Homeprogram@hcr.ny.gov. Technical assistance cannot be provided after the application deadline and questions regarding scoring or application status cannot be answered. At the completion of the funding round, applicants not selected for award may request an application review conference to examine general reasons why applications were not funded and tips for improvement.

11. THRESHOLD ELIGIBILITY REVIEW

Applications must pass an initial threshold review based on the criteria summarized below to advance to full application scoring. Applications that fail to meet all of the threshold criteria will not be reviewed further and will be deemed ineligible:

- Program must assist only residential properties that will be owner or renter occupied at project completion.
- Applicant must not have current or past unresolved performance, compliance, monitoring and/or audit issues with the OCR.
- Applicant must demonstrate at least one year experience providing recent and relevant residential housing services in the proposed service area.
- For non-profit applicants only: The Vendor Responsibility Questionnaire must indicate a non-profit applicant in good standing with no concerns that would prohibit funding the application.
- All CDOL certifications must be satisfactorily answered, or an approved explanation provided.

12. APPLICATION REVIEW CRITERIA

Scoring criteria is derived from statutory, regulatory, and policy considerations of the HOME Program and based on a 100-point scale summarized below.

Application ratings are based only on the application materials received by the submission deadlines. Documents received after the deadline will not be considered.

All applications will be reviewed based on the following categories:

A. Proposal and Program Design (50 Points)

- Percent of population below federal poverty level in program service area (3 points)
- Selection, relation, and work within proposed service area (3 points)
- Demonstration of need for activity in service area (6 points)
- Comprehension of activity specific HOME regulatory requirements (8 points)
- Potential applicant pipeline and units proposed (8 points)
- Knowledge of general, program-wide HOME regulatory requirements (12 points)
- Proposed schedule and understanding of milestones (10 points)

B. Organizational Capacity (40 points)

- Staff roles, knowledge, and experience with proposed HOME program (15 points)
- Recent, relevant, successful experience with HOME or similar programs (10 points)
- Successful administrative experience or positioning (15 points)

C. Budget/Financing Plan (10 points)

- Sources and uses
- Understanding of realistic HOME costs, requirements, and procedures

D. Score Reduction (up to 20 points)

Points may be deducted for applicants with open contracts that indicate a risk of not completing on time, have received prior monitoring findings and/or concerns, or applicants in poor standing with other HCR programs or contracts.

13. FUNDING CONSIDERATIONS AND ALLOCATION PRIORITIES

HTFC reserves the right to award all, more than identified, a portion of, or none of the available funds based upon funding availability, feasibility of the applications received, the competitiveness of the applications, an applicant's ability to meet HTFC criteria for funding, the applicant's ability to advance the State's housing goals, and HTFC's assessment of cost reasonableness. HTFC further reserves the right to review an application requesting funds as an application for funding under other programs for which the proposed activity is eligible, and to change or disallow aspects of the applications received.

Prior to applying, applicants should evaluate the progress of their open grant portfolio to determine if additional funds are warranted and should not apply if the proposed program activities cannot be completed and funds cannot be expended within the 30-month contract term.

HTFC reserves the right to communicate with an applicant for the purpose of addressing clerical and arithmetical errors in applications.

HTFC reserves the right not to issue an award or contract to any applicant if it has been determined that the applicant is not in compliance with existing contracts and has not taken satisfactory steps to remedy such non-compliance. Activities that commence prior to contract execution and environmental review will not be eligible for reimbursement.

Applicants may be negatively impacted by unsatisfactory performance or may be determined to be ineligible for a grant when prior performance indicates significant lack of capacity to carry out the proposed project or program as required and according to the applicable laws, regulations, policies, and procedures governing the program.

Priority will be given to applications that propose to serve a rural area as classified by the US

Census Bureau and/or have little to no NYS HOME funds currently available within the proposed service area.

Preference may be given to applicants pursuing multiple sources of funds to cover increased project costs and ensure a greater number of program participants. Other funding sources to be leveraged must be relevant to the proposed application and their proposed use documented along with proof that funds are available and committed at the time of application. Documentation of a pending application to another HCR program is also acceptable

HOME regulations require that fifteen percent (15%) of each annual allocation is reserved for Community Housing Development Organizations (CHDOs).

14. HTFC BOARD APPROVAL AND AWARD

Awards must be approved by the HTFC Board of Directors.

Award of funds does not confirm eligibility of all activities included in an application proposal, and HTFC reserves the right to change or disallow aspects of the applications received and may make such changes an expressed condition of its commitment to provide funding for proposed activities.

15. APPLICATION OUTCOME

An e-mail or letter will be sent to *the contact listed in the CDOL application* to inform the applicant of the status of its application:

- · Selected for Funding
- Not Selected for Funding
- Ineligible for Funding

16. CONTRACT REQUIREMENTS AND EXECUTION

HOME applicants selected for funding may be asked to revise parts of the original application or administrative plan prior to or in conjunction with the issuance of a contract. Contract expenditures cannot be made, nor activities started until all required documents are executed and environmental reviews are completed.

As a condition of the award of NYS HOME program funds, awardees are required to obtain and maintain proper insurance and fidelity bonds. During the term of the contract, the awardee shall take all adequate measures to safeguard against the risk of liability for injuries or death of employees of the awardee, contractors and subcontractors, and any other persons.

Awardees must provide proof of:

- Comprehensive general liability coverage in a minimum amount of one million dollars (\$1,000,000) naming the HTFC and the State of New York as additional insured
- Fidelity/crime coverage in an amount not less than the largest anticipated disbursement request for program funds naming the HTFC as loss payee
- Automobile insurance
- Workers' compensation and disability benefits

All insurance certificates shall be with a New York State licensed carrier.

Awardees should anticipate that certain regulatory requirements and administrative guidance will change or be clarified during the contract term. For example, HUD has deferred the implementation of new property standard requirements for the HOME Program. These new requirements are applicable to any project with a commitment after the effective date of the new requirements as may be announced by HUD.

For inquiries regarding this RFA, please email Homeprogram@hcr.ny.gov.

HTFC reserves the right to waive any requirement contained in this RFA or revise the terms of this RFA as needed.