Housing Trust Fund Corporation

NOTICE OF FUNDING AVAILABILITY

RISK REDUCTION AND INSURANCE AFFORDABILITY (RRIA) PILOT

HOUSING TRUST FUND CORPORTION

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Introduction

New York State Homes and Community Renewal ("HCR") consists of all the major housing and community renewal agencies of the State of New York ("State"), including the Housing Trust Fund Corporation ("HTFC"). HCR includes other agencies ("Affiliates") not involved in this Notice of Funding Availability ("NOFA") process.

HTFC's mission is to further community development through the construction, development, revitalization and preservation of housing for low-income residents, the development and preservation of businesses, the creation of job opportunities, and the development of public infrastructures and facilities.

Purpose

HTFC invites eligible applicants with significant experience and expertise in providing insurance coverage to affordable housing, conducting risk assessment, mitigating risk in affordable housing as well as deep knowledge of the affordable housing industry to administer New York State's Risk Reduction and Insurance Affordability Pilot (RRIA). This NOFA describes the purpose for which the available funds are to be used and the methodology for disbursing those funds.

Through this NOFA, HTFC plans to make funds ("Grant(s)") available to **one to three (1 to 3) eligible applicants** to serve as the administrator of RRIA ("Administrator(s)" or "Awardee"). Eligible applicants are invited to submit applications for funding for the anticipated costs of administering RRIA. Applications must be submitted via email to **insurancenofa@hcr.ny.gov** no later than **11:59 PM (EST)** on **Friday, December 5, 2025.** The initial contract shall be for **three (3) years**, with the potential for an extension depending on the availability of funds and at the discretion of HTFC staff.

Background

Across the country, insurance premiums have increased dramatically for affordable housing, as well as other sectors. The National Leased Housing Association released a report in 2023 that examined trends in coverage and costs for commercial property, premium general liability, and excess/umbrella liability insurance. The report found that owners of affordable housing were receiving less coverage at renewal and that premiums increased for 1 in 3 owners by over 25%. Owners of affordable housing in New York State are experiencing premium increases at or above the national averages and rely on an increasingly small number of carriers to provide coverage. The increased cost of insurance is making it increasingly challenging for owners to pay other operating costs. This can lead to deteriorating conditions for residents of affordable housing.

Program Overview

In this environment, the affordable housing sector in New York has demonstrated an interest in insurance captives as an alternative to the current insurance offerings in New York State, particularly for property and liability insurance. However, many affordable housing owners, particularly non-profits, face challenges to joining existing captives or starting new captives. The RRIA program will seek to make joining insurance captives more accessible and affordable. RRIA funds will make available funds to owners of multifamily rental properties in New York State which are:

1) currently subject to a regulatory agreement with, or under the supervision of, HTFC, Division of Housing and Community Renewal (DHCR), New York State Housing Finance Agency (HFA, DHCR and HFA also

included in the HCR umbrella), and potentially other public agencies based on the availability of funding, and
2) Owned by a not-for-profit sponsor as defined in the New York State not-for-profit corporation law
3) Broadly representative of affordable housing in terms of physical conditions, financial health, and owner capacity across New York State.

These funds will be used assist these owners in several ways:

1. Undertake a risk analysis and implement risk mitigation measures that will make properties good candidates for participating in an insurance captive.
2. Identify insurance captives for owners, assist owners to the degree necessary during the application process, and
3. To the extent that owners lack the funds to pay any required capital contribution (or other upfront costs) to join a captive, provide RRIA funds to owners cover these costs.

Eligible Applicants

Eligible applicants for RRIA must be non-profit organizations with a nexus to the affordable housing industry. The non-profit must demonstrate capacity to undertake the following activities:

(1) Identify and conduct outreach to owners of a significant number of affordable properties with HCR regulatory agreements that have experienced challenges in locating affordable property or liability insurance ("Program Participants"). Applicants do not need to identify potential Program Participants prior to applying to this NOFA.
(2) Develop criteria with HCR Staff for which properties are the best candidates for this program based on their operating budget, owner capacity, and physical condition of the property.
(3) Directly undertake a risk analysis of participating properties or pre-qualify outside entities that will work with owners on the risk analysis and subsequent risk mitigation measures. The Administrator will establish the criteria and standards for the risk analysis as well as the related risk mitigation measures for the risks identified. These criteria and standards will be based on industry best practices.
    a. Should the Administrator decide to work with outside entities, the Administrator will be responsible for ensuring the quality of their work and their adherence to the established criteria and standards.
(4) Identify most impactful risk mitigation measures and assist owner in locating sources of funding to address. This may include deploy small grants from RRIA funds to non-profit owners to address risk mitigations measures that are identified.
(5) Assist owners in determining if they require small grants to cover any initial capital contribution to join a captive. RRIA funds will be the source for these initial capital contributions.
(6) The Administrator will make available loans or grants which shall be disbursed based on construction progress with regular inspections overseen by the Administrator. The Administrator must have extensive experience in underwriting, originating and servicing construction loans.

As needed, Applicants may subcontract with other housing organizations with a demonstrated capacity to conduct outreach to potential Program Participants.

Eligible Activities

The Applicant(s) selected by HTFC to administer RRIA will be expected to work with HTFC program staff to create a work plan, which may include, but will not necessarily be limited to:

1. Finalize the program policies and procedures including:
    - What standards and criteria should be included in risk assessments?
    - What risk mitigation efforts will be most impactful on insurance premiums?
    - What is the profile of a property that will experience the most significant improvement in its operating budget from undertaking risk mitigation and/or joining a captive insurer?
    - What are reasonable standards for initial capital contributions that should be supported with RRIA funds?
    - How will participating properties will be identified – by accepting applications, invitation-only, first-come first-serve?
    - How much assistance should be provided to assist owners with initial capital contribution?
    - What standards and criteria for standard risk analysis should be used in conjunction with this program?

2. As necessary, identify partner organizations to conduct risk analysis and recommend risk mitigation measures. Determine criteria for identifying these partners.

3. Draft conflict of interest policy in the event the Administrator also administer a captive, subject to the approval of HTFC.

4. Draft a Program Procedures document that memorializes the program terms.

Ineligible Activities

Funds cannot be used to cover the cost to prepare a grant application or work outside the HTFC approved scope.

Eligible Costs

The Risk Reduction and Insurance Affordability Pilot has been authorized in the state budget at $5,000,000 which consists of grant funds and program administration funds. Applicants are required to provide a program administration budget in their application estimating the portion of the $5 million allocated to program administration over the next three (3) years. Proposed budgets should include a narrative description and amount of:

a. Program overhead including time and materials for program management; marketing and outreach expenses.
b. Technical assistance costs incurred by contractors.

Funds may be disbursed to the Awardee on a prospective basis. Disbursement schedules will be determined by HTFC staff prior to the execution of a program grant agreement ("Grant Agreement"). Administrative and other program funds may be paid as the Awardee achieves milestones in the program administration.

Proposal Costs and Materials

HTFC will not be held liable for any cost incurred by the applicant for work performed in the preparation, production, or submission of a proposal in response to this NOFA. All proposal materials and information submitted as part of the application shall become the property of HTFC. No materials, curricula, media or other content will be returned to the applicant.

Submission Requirements

- Narrative describing applicant's background and expertise in the affordable housing industry (particularly in asset management), the insurance field, and insurance captives;
- Narrative describing experience with determining risk assessment criteria, conducting risk assessments, and identifying risk mitigation measures in affordable housing;
- Narrative describing applicant's approach to identifying eligible properties and conducting outreach to owners. Note that HTFC seeks to assist properties and owners that are representative of the current physical and financial health of the affordable housing stock in New York State;
- Narrative describing experience with management of funding programs involving affordable housing;
- Describe how applicant will identify buildings with greatest likelihood of benefitting from program;
- Staffing plan that describes plans to hire staff or allocate current staff time towards administering the grant. This should include description of roles and responsibilities of any confirmed or potential partner organizations or any contractors the applicant plans to engage to fulfill full scope of work;
- Organizational chart (if applicant plans to partner with other organizations, they should be included);
- Resumes of key staff;
- A budget including:
    - A proposed cost per risk assessment, including estimated total number of properties served
    - A proposed cost for risk mitigation measures per property served, including estimated total number of properties served
    - A proposed average cost for initial capital contribution per property to join a captive, including total number of properties projected to join a captive
- Anticipated timeline for program start-up, undertaking risk assessments and risk mitigation measures, and disbursing funds to assist owners in joining a captive.

Evaluation and Selection Criteria

Applicant proposals will be examined for completeness and eligibility. Incomplete proposals and those that do not meet eligibility requirements may be rejected as ineligible. Complete proposals and those that meet eligibility requirements will be reviewed and rated. The maximum rating is 100 points, as set forth below.

Applications should include a PDF attachment that responds to the following questions. This PDF should not exceed eight (8) pages in length. Staff resumes if included, do not count towards this 8-page maximum submission.

1. Organizational Background and Experience (maximum 30 points): Measures the overall functionality of the organization and its relevance to the work that would be performed under the grant, if awarded. Organizations will receive high scores who:
    a. have, or can procure, expertise in risk assessments and risk mitigation, particularly as it relates to lowering insurance premiums for affordable housing.
    b. Have experience and expertise in issues related to insuring affordable housing properties and insurance captives.
    c. Have experience and knowledge of current issues impacting the financial and physical health of affordable housing properties and demonstrated ability to address these issues.
    d. Experience coordinating with third party vendors. If partnering with other organizations, demonstrate that partnership has necessary experience and clear roles and responsibilities, and that applicant has capacity to manage a partnership
    e. Provide insight to how the applicant will work with HCR to solve for and finalize the open questions stated on page 3.

2. Ability to Staff and Administer Grant (maximum 30 points): Measures the ability for the organization to dedicate staff and resources towards the administration of the grant, if awarded. Proposals that demonstrate an ability to hire staff or allocate current staff time towards administering the grant, if awarded, as well as identifying and deploying partner organizations.

3. Organizational Capacity & Readiness to Proceed (maximum 20 points): Measures the extent to which the applicant has organized the proposal and assembled enough resources to complete the project and achieve the goals and objectives of the program in a manner that is timely, effective and on-budget. Proposals that document adequate organizational structures and procedures in risk mitigation, risk assessment, and grants management will receive high scores.

4. Ability to Generate Demand (maximum 20 points): Organizations who demonstrate an ability, or process to identify Program Participants will receive high scores. Organizations who include marketing, strategies for identifying buildings that will benefit most from this program, and corresponding outreach proposals in their application will receive high scores.

All completed applications will be reviewed and scored. HTFC reserves the right to:

1. Award all, a portion of, or none of the program funds based upon funding availability, competitiveness of applications received, feasibility of achieving project goals and objectives and completing proposed activities.
2. To change or disallow aspects of the applications and may make such changes conditions of its commitment to provide funding.
3. To recommend funding in an amount less than requested.
4. To not issue an award or grant agreement to any applicant if it has been determined that the applicant is not in compliance with existing state contracts and has not taken satisfactory steps to remedy such non-compliance.
5. Waive any requirement contained in this NOFA.
6. Revise this NOFA from time to time.
7. Extend the submission due date.

Application and Award Timeline

HTFC reserves the right to modify this schedule, at its discretion. Notification of changes in connection with this NOFA will be posted and made available to all interested parties via https://hcr.ny.gov/funding-opportunities

Issuance of NOFA	October 21, 2025
Deadline for Submission of Proposals	**11:59 PM (EST)** on **Friday, December 5, 2025**
Pre-submission conference	**10 AM (EST)** on **Thursday, October 30, 2025. RSVP to** insurancenofa@HCR.NY.gov for the meeting link
Anticipated Preliminary Award Selection (award(s) will be contingent on HTFC Board approval, which will occur after this date)	**February 2026**

Award Recommendations and HTFC Board Approval

Awards are recommended based on available funding, proposal quality and project feasibility as determined by the review and rating of an application. The evaluation and selection criteria are detailed in the NOFA. Recommendations are advanced to the HTFC Board for consideration and the CFHF award must be approved by the HTFC Board prior to the execution of a grant agreement.

Application Status and Notification

Applicants will receive one of the notifications below in response to their application:

1. Incomplete: Application presents potentially eligible project but provides insufficient information. Applicant will be provided an opportunity to submit additional documentation.
2. Non-Award Notification: Application presenting an incomplete, non-competitive, not viable project will not receive an award under this NOFA.
3. Preliminary Award Notification: Application presents a complete, eligible, competitive and feasible project. The project has been recommended to and approved by HTFC Board of Directors for funding.

Program Grant Agreements

The Awardee(s) may be asked to revise parts of their proposal prior to entering into a program grant agreement. After any required revisions are submitted and approved, a final program grant agreement will be executed. The program grant agreement will require that Awardees expend all funds and meet all program goals by March 2029 with the possibility for an extension, at the discretion of HTFC staff.

An applicant should not apply if the project will not begin within a reasonable time after receiving an executed grant agreement or will not be able to complete the project within the term. Funds remaining at the end of the term are subject to de-obligation and reallocation.

Equal Employment Opportunity/Minority and Women Owned Business and Affirmative Action

Under Article 15A of the New York State Executive Law, all award recipients and their contractors are required to comply with the equal employment opportunity provisions of Section 312 of that Article. Also, all contractors and awardees are required to make affirmative efforts to ensure that New York State Certified Minority and Women-Owned Business Enterprises are afforded opportunities for meaningful participation in projects funded by HTFC pursuant to Section 313 of the Article.

All MWBE firms used to satisfy this requirement must be certified as such with the State's Empire State Development ("ESD"). All SDVOB firms used to satisfy this requirement must be certified as such with the State's Office of General Services.

For purposes of this solicitation, HTFC hereby establishes a goal of 30% of the administrative contract expenditures for MWBE participation, 15% for minority-owned business enterprises ("MBEs") and 15% for women-owned business enterprises ("WBEs").

Affirmative Action Policy Statement: It is the policy of the HTFC to provide equal opportunity to all people without regard to race, color, sex, religion, age, national origin, disability, or sexual orientation.

Questions

Any questions regarding this NOFA or the application process should be directed to: insurancenofa@HCR.NY.gov