

Proposed Consolidated Plan



2020 One -Year Action Plan

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NYC
PLANNING



Effective as of August 25th 2020

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

Introduction

The 2020 Consolidated Plan Action Plan is the City of New York's annual application to the United States Department of Housing and Urban Development (HUD).

The Department of Housing Preservation and Development (HPD) administers the City's HOME Investment Partnership (HOME) Grant. Proposed projects fund affordable housing new construction, affordable housing rehabilitation, first-time homebuyers homeownership assistance, and tenant-based rental assistance.

The 2020 HOME Action Plan would serve as the "sixth" year of the Plan, running from 2015 thru 2020 for New York City. The HOME allocation for 2020 is \$ 74,633,261.

Evaluation of past performance

Regarding New York City's past performance in its use of formula entitlement funds, please refer to the City's 2018 Consolidated Plan Annual Performance Report (APR), the most recent APR available. The 2018 Performance Report can be accessed on the New York City Department of City Planning's website at: <https://www1.nyc.gov/site/planning/about/consolidated-plan-apr.page>

Summarize the objectives and outcomes identified in the Plan

01 Accessibility to Decent Affordable Housing

2 Formula Entitlement-funded Projects **\$59,088,916.00**

will receive a cumulative total of

This funding is intended to reach the following goals:

637

Rental units constructed.

385

Households assisted with tenant-based rental assistance.

02 Decent Affordable Housing

1 Formula Entitlement-funded Projects **\$4,000,000.00**

will receive a cumulative total of

This funding is intended to reach the following goals:

100

First-time homebuyers assisted with downpayment assistance.

Summary of Citizen Participation Process and consultation process

The Amendment Public Comment Review Period

The City use diverse notification methods to inform the public of the 2020 HOME Action Plan's release for public review as it did for the release of its Proposed 2019 Action Plan. Over 500 notification were emailed and about 2000 were mailed to New York City residents, organizations and public officials inviting comments during the public review period. Furthermore, the notice was posted on the Department of City Planning and NYC Office of Management and Budget websites. The respective notice included relevant plan-related information so that informed comments are facilitated.

To provide access to the document copies of 2020 Action Plan are obtainable by the public for download. An Adobe Acrobat version of the Action Plan will be posted on DCP's website (<http://www.nyc.gov/planning>) for public review.

The Substantial Amendment to include the supplemental CARES Acts funds Public Comment Review Period

The City has proposed changes to its Citizen Participation Plan to incorporate alternate procedures in the event of a local or national emergency. The City's waiver request included any or all of the following:

- Reduction of time for Public Notice and Comment
- Suspension of newspaper publication requirement
- Authorization to hold public hearings remotely or to suspend required hearings

New York City implemented a 5-day notice and comment period as allowed by the CARES Act and HUD guidance. A dedicated email address is provided along with a webpage that allow citizens to provide comments. Publication of amended and proposed documents will be posted on DCP's dedicated webpage that linked documents to the language translation tool.

The public comment period began **August 25, 2020** and extends for **5 days** ending **August 29, 2020**. The public was instructed to submit their written comments on the substantially amended 2019 Action Plan that includes the CARES Act funds by close of business, **August 29, 2020** to: Lisa Rambaran, New York City Consolidated Plan Program Manager, Department of City Planning, 120 Broadway 31st Floor, New York, New York 10271, email: Con-PlanNYC@planning.nyc.gov.

Comments received will be summarized and agencies' responses incorporated into the version submitted to HUD.

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

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The Department of Housing Preservation and Development (HPD) administers the City's HOME Investment Partnership (HOME) Grant. Proposed projects fund affordable housing new construction, affordable housing rehabilitation, first-time homebuyers homeownership assistance, and tenant-based rental assistance.

The 2020 HOME Action Plan would serve as the "sixth" year of the Plan, running from 2015 thru 2020 for New York City. The HOME allocation for 2020 is \$ 74,633,261.

Anticipated Resources

Table AP-1 - Expected Resources – Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	74,633,261	972,466	0	75,605,727	0	2020 is the final year of the Strategic Plan and no additional resources are anticipated for the remainder of this Con Plan.
Section 8	public - federal	Rental Assistance	480,770,826	0	0	480,770,826	480,770,826	In CY2020, HPD has been allocated \$465M in renewal funding. HPD received additional funds

								through the CARES Act in the amount of \$15M.
LIHTC	public - state	Acquisition Multifamily rental new construction Multifamily rental rehab	16,300,000			16,300,000	0	The Low Income Housing Tax Credit is a means by which the federal government provides funding, indirectly, for the construction and rehabilitation of low-income housing. Developers (and their investors) who build developments or rebuild buildings and rent to a specified percentage of low-income tenants, receive a credit against their federal income taxes. By federal statute, eligible projects must target at minimum 20 percent of the units to households earning less than

								<p>50 percent of the median income or in New York City at least 25 percent of its units to households earning less than 60 percent of the median. There are two types of tax credits, 4% credits and the more valuable 9% credits. The 4% credits are available to projects that are financed through private activity bonds while the 9% credits are awarded through a competitive process. To obtain 9% credits developers must apply to the state housing agency in which their project is located, which decides which projects will receive the limited pool of tax credits allocated to their state. The State of New York</p>
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								delegates a portion of its allocation authority to the New York City Department of Housing Preservation and Development (HPD). HPD received approximately \$18.1 million in 2019 credit authority to be allocated during the 2018 funding round. Since the State Division of Housing and Community Renewal (HCR) can allocate credits to projects in New York City as well as throughout the rest of the State, additional projects may receive credits besides those allocated by HPD. HPD has a Qualified Allocation Plan that specifies the
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								<p>criteria used to select projects for allocation. Points are awarded to those projects based on the degree to which they satisfy criteria such as amount of subsidy required, leverage other financing sources, impact a project will have on a neighborhood, and housing those with very low income. 40% of the credit authority is set aside for projects funded through HPD's Supportive Housing Loan Program (SHLP) that have 100% of the units designated as low-income and have 60% of the units designated for formerly homeless households. Any developer can compete for tax credits available,</p>
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								<p>and credits are awarded on a competitive basis, so it is impossible to know in advance which projects will receive credits in a given year. In practice, most low-income housing projects in New York City require not only tax credits but also additional public funds, such as low interest loans provided by the City. Among the programs likely to utilize the tax credit as a funding source in calendar year 2020 are the Supportive Housing Loan Program, Third Party Transfer, Multi-Family Participating Loan Program, HUD Multi-Family, Low Income Program and Participation Loan Program</p>
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								<p>(PLP), Extremely Low and Low Income Affordability Program (ELLA), Neighborhood Construction Program (NCP), and Senior Affordable Housing Rental Apartment Program (SARA). Typically, HPD's tax credit allocations help fund rehabilitation or construction of approximately 1,000 low-income units per year. For calendar year 2020 HPD anticipates these aforementioned programs will be applying to provide the same amount of units sought in 2019.</p>
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Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

HPD City Funds -- Calendar 2020

HPD Capital matching Federal Funds

HPD's total capital budget for calendar year 2020 from all funding sources (including HUD) is approximately \$577,465,901. Of that amount \$545,465,901 comes from the City of New York ("the City"). Of the City funds, \$498,338,505 is scheduled for programs that use City funds in conjunction with Federal funds (CDBG, HOME, Section 8, etc.). The remaining \$47,127,396 of City funds are used in programs that do not receive Federal funds.

The City uses a portion of this \$498,338,505 figure to meet its 12.5% requirement to match HOME funds, in addition to using the appraised value of tax exemptions. The latest full year for which match data are available indicate that the City's match was \$57,172,133 as reported in the FY 2018 Match Report, published in the 2018 Consolidated Plan Annual Performance Report (APR). The City thus exceeded the 12.5% minimum. Estimates for next year's match amount and the portion constituting the cash value of Capital funds are not available at this time.

HPD Expense matching Federal Funds

HPD's total expense budget for calendar year 2020 from all funding sources (including HUD) is approximately \$789,548,101. Of that amount approximately \$139,754,589 comes from the City (tax levy, Inter-Fund Agreement (IFA), and Intra-City). Of the City funds, approximately \$109,896,015 is scheduled for programs that use City funds in conjunction with Federal funds (CDBG, HOME, Section 8, etc.). The remaining approximate \$29,858,574 of City funds are used in programs that do not receive Federal funds.

HPD Capital without Federal Funds

In Calendar Year 2020, HPD expects to budget approximately \$47,127,396 in programs that receive no Federal funds.

HPD Expense without Federal Funds

In Calendar Year 2020 HPD expects to budget approximately \$29,858,574 in programs that receive no Federal funds.

HPD Capital and Expense

As the primary housing agency in the City of New York, HPD has used both City capital and tax levy funds to develop housing programs to address the needs of low-and moderate-income households. Although the funds received from the federal government are an essential element in the City's housing policy, HPD has created over 20 housing programs, examples of which are listed below, with no direct federal funds for the purposes of increasing housing production and maintaining the existing housing stock.

Non-federally funded HPD Programs

- Housing Rehabilitation Loan Program (HRP)
- Green Housing Preservation Program
- Middle Income Program (M2)
- Home Improvement Program (HIP)
- Housing Education Program (HEP)
- Inclusionary Housing Program
- New Infill Homeownership Opportunities (NIHOP)
- Senior Citizen Home Assistance Program (SCHAP)
- Urban Renewal Associated Costs
- Small Homes–Large Sites
- Small Homes–Scattered Sites
- Small Homes–NYCHA Program
- Year 15/Low-Income Housing Tax Credit Program (LIHTC)
- Mortgage Assistance Program
- Open Door Program

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Table AP-2.1 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Create Affordable Housing - New Construction	2015	2020	Affordable Housing		Housing - New Construction	HOME: \$61,129.367	Rental units constructed: 707 Household Housing Unit
2	Create New Homeownership Opportunities- Down Payment	2015	2020	Affordable Housing		Housing - Homeownership assistance (Down Payment)	HOME: \$4,000,000	Direct Financial Assistance to Homebuyers: 100 Households Assisted
17	Prevent Displacement and Reduce Cost Burdens- TBRA	2015	2020	Affordable Housing		Housing - HOME Tenant-Based Rental assistance	HOME: \$7,500,000	Tenant-based rental assistance / Rapid Rehousing: 460 Households Assisted

Goal Descriptions

Table AP-2.2 – Goals Description

1	Goal Name	Create Affordable Housing - New Construction
	Goal Description	Use HOME Program funds to increase supply of high-quality, affordable multi-family rental housing for income-eligible New Yorkers, particularly for those with special needs.
2	Goal Name	Create New Homeownership Opportunities-Down Payment
	Goal Description	Use HOME Program funds to assist first-time homebuyers to afford down payment expense.
17	Goal Name	Prevent Displacement and Reduce Cost Burdens-TBRA
	Goal Description	Use HOME Program funds to ensure affordability for the purpose of providing high-quality affordable housing.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b)

Please see Module AP-55., Affordable Housing.

Projects

AP-35 Projects – 91.220(d)

Introduction

The Department of Housing Preservation and Development (HPD) administers the City's HOME Investment Partnership (HOME) Grant. Proposed projects fund affordable housing new construction, affordable housing rehabilitation, first-time homebuyers homeownership assistance, and tenant-based rental assistance.

For 2020 the Proposed Action Plan's listing of projects has been re-ordered to correspond with their associated One-Year Goal(s) as found in section AP-20, Annual Goals and Objectives. It should be noted that the order of the One-Year Goals in AP-20 are automatically sorted alphabetically by HUD's eConPlanning software suite and therefore, should not be misinterpreted as the City's order of priority.

Projects

Table AP-3 - Project Information

#	Project Name
1	HPD Affordable Housing Development Program 2020
2	HomeFirst Down Payment Assistance Program 2020
51	HOME Tenant-Based Rental Assistance (TBRA) 2020
75	HOME HPD Administration 2020

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

HOME Investment Partnerships Program

Allocation priorities related to HOME funded programming have not changed from the priorities outlined in the City's Consolidated Plan Strategic Plan. Assistance provided in prior years to the TBRA program has been increased to \$7.5M in 2020 to maintain the pre-existing level of assistance. Remaining additional funds will be spent to create additional affordable housing units and down payment assistance to first time homebuyers.

AP-38 Project Summary

Project Summary Information

Table AP-4 – Project Summary

1	Project Name	HPD Affordable Housing Development Program 2020
	Target Area	
	Goals Supported	Create Affordable Housing - New Construction
	Needs Addressed	Housing - New Construction
	Funding	HOME: \$61,129,367
	Description	HPD's Affordable Housing Development Program supports the City's priority for the creation of affordable multi-family rental housing for income-eligible New Yorkers. HPD funds the acquisition, new construction or rehabilitation of properties for the purpose of developing long-term affordable housing, including supportive housing for formerly homeless, seniors, and other vulnerable populations. The units are rented to extremely low income, very low income, low income and/or moderate and/or middle income households.
	Estimate the number and type of families that will benefit from the proposed activities	707 Extremely Low Income (0-30% MFI) Very Low Income (0 to 50% MFI) Low Income (51 to 80% MFI) and/or moderate and/or middle income households will benefit from this activity. Type of households that may be assisted include: Special Needs Populations; Homeless Individuals; the Elderly; and, All Other Renter Types, respectively.
Location Description	Citywide	
2	Project Name	HomeFirst Down Payment Assistance Program 2020
	Goals Supported	Create New Homeownership Opportunities-Down Payment
	Needs Addressed	Housing - Homeownership assistance (Down payment)
	Funding	HOME: \$4,000,000
	Description	The HomeFirst Program offers down payment assistance to first-time homebuyers. Eligible homebuyers can qualify for a forgivable loan to use toward down payment and/or closing costs on a one- to four-family home, condominium, or cooperative purchased in one of the five boroughs of New York City. The amount of the forgivable loan will be up to \$40,000. Eligible borrowers must be first-time homebuyers with a maximum annual household income up to 80% of Area Median Income (AMI); purchase a one- to four-family home, condominium, or cooperative in one of the five boroughs of New York City; qualify for a mortgage loan from a participating lender; have their own savings to contribute toward down payment and closing costs; successfully complete a homebuyer education course with an HPD-approved counseling agency; and occupy the property as their primary residence for at least ten years.
Estimate the number and type of families	This program will assist 100 Very Low Income (0 to 50% MFI), and/or Low Income (51 to 80% MFI) first-time homebuyers.	

	that will benefit from the proposed activities	
	Location Description	Citywide
51	Project Name	HOME Tenant-Based Rental Assistance (TBRA) 2020
	Goals Supported	Prevent Displacement and Reduce Cost Burdens-TBRA
	Needs Addressed	Housing - HOME Tenant-Based Rental assistance
	Funding	HOME: \$7,500,000
	Description	<p>The New York City Department of Housing Preservation and Development (HPD) intends to utilize HOME TBRA funds to address a variety of needs as follows: NYC HRA TBRA for Homeless Assistance Transfer HOME Program funds to the New York City Human Resources Administration (HRA) for a Tenant-Based Rental Assistance Program. HRA plans to offer rental assistance to eligible families, based on funding availability, and subject to close supervision by HPD as the HOME Program administrator. HRA plans to serve only those households who meet all four of the following qualifications:</p> <ol style="list-style-type: none"> 1. Two or more individuals or a pregnant person who currently resides in a NYC Department of Homeless Services (DHS) or HRA shelter designated for Families with Children, or for Adult Families (which consist of households with more than one adult and no minor children) or the household consists of or includes at least one chronically street homeless individual. 2. Household income does not exceed 60% of Area Median Income. 3. At least one household member receives federal supplemental security income or social security benefits. 4. Has resided in shelter for more than 120 days, or such other period that HRA may designate. The program is designed to last for two years with an ongoing opportunity to extend an additional two years as long as funding is available. <p>Under the program, families pay the highest of the following amounts: 30% of the family's monthly-adjusted income; 10% of the family's monthly gross income; public assistance shelter allowance (that portion of the New York State public assistance grant that is specifically designated to meet the family's actual housing costs); or the minimum rent established by HPD for HOME Tenant-Based Rental Assistance, which is \$50.</p> <p>HPD TBRA Rental Assistance Program Deploy funds to offer Tenant Based Rental Assistance to families earning less than 80% AMI that are currently provided rental assistance under another program but whose assistance will face termination based on federal appropriation levels in future years. May also be used to assist in the facilitation of Violence Against Women Act (VAWA) emergency transfer requests via the HOME program.</p>

	Estimate the number and type of families that will benefit from the proposed activities	460 Very Low and/or Low Income (0 to 80% MFI) households will benefit from this activity. Types of households that maybe assisted include: Renter Elderly; Renter Large Related; Renter Small Related; Homeless Individual; Homeless Family without Children; Homeless Family with Children; Special Needs Populations; Homeless Youth; HOME Participants who are survivors of domestic violence, and all other Renter Household Types, respectively.
	Location Description	Citywide
52	Project Name	HOME HPD Administration 2020
	Goals Supported	Create Affordable Housing - New Construction Prevent Displacement and Reduce Cost Burdens-TBRA Create New Homeownership Opportunities-Down payment
	Funding	HOME: \$8,069,930
	Description	Staff performs administrative functions for several of HPD's HOME funded programs.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	NYC Department of Housing Preservation and Development - 100 Gold Street, New York, NY 10038

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs:

HOME Investment Partnerships Program

Allocation priorities related to HOME funded programming have not changed from the priorities outlined in the City's Consolidated Plan Strategic Plan. Assistance provided in prior years to the TBRA program has been increased to \$7.5M in 2020 to maintain the pre-existing level of assistance. Remaining additional funds will be spent to create additional affordable housing units and down payment assistance to first time homebuyers

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

For the 2020 Consolidated Plan Program Year (Calendar 2020), the City of New York is required to provide a summary of its one-year goals for the number of homeless, non-homeless, and special-needs households to be provided affordable housing using the four grant programs (HOME; CDBG; HOPWA; and ESG).

The City of New York is also required to estimate one-year goals for the number of households to be provided affordable housing through any of the City’s HUD-funded activities that 1) provide rental assistance; 2) produce new units; 3) rehabilitate existing units; or 4) acquire existing units.

For the purpose of this section, the term “affordable housing” shall be as defined in the HOME program regulations at 24 CFR 92.252 for rental housing, and 24 CFR 92.254 for homeownership, respectively.

Table AP-4 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless	460
Non-Homeless	100
Special-Needs	707
Total	1,267

Table AP-5 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported Through	
Rental Assistance	460
The Production of New Units	707
Rehab of Existing Units	0
Acquisition of Existing Units	100
Total	1,267

Discussion

During the upcoming 2020 Consolidated Plan Action Plan Program Year HPD will allocate HOME funds across three initiatives: new construction of affordable housing units, tenant-based rental assistance, and providing homeownership opportunity through our HomeFirst Down Payment Assistance program.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:
The City of New York uses many, if not most, of the approved subsidy forms cited in the regulations and listed below:
 - Interest bearing loans or advances;
 - Non-interest bearing loans or advances;
 - Deferred payment loans;
 - Grants;
 - Interest subsidies;
 - Equity investments;
 - Tenant-Based Rental Assistance; and
 - Down Payment Assistance.

It does not use any forms of investment that are not described in §92.205(b).

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:
HOME Recapture Provisions
Currently, the City is only utilizing HOME funds in one homeownership program, the HomeFirst Down Payment Assistance Program. The HomeFirst Down Payment Assistance Program provides a forgivable loan of up to \$40,000 for eligible homebuyers' use toward the down payment or closing costs on a 1-4 family home, condominium, or a cooperative unit within New York City. The public subsidy is made in the form of a zero interest forgivable loan requiring the homeowner to reside in their home as their primary residence for a minimum of 10 years. The down payment assistance loan is secured by a UCC-1 lien for the purchase of a cooperative unit and by a mortgage for the purchase of a 1-4 family home or a condominium. Additionally, each purchaser executes a note, and HOME written agreement at closing.

This program adheres to HUD's recapture requirements in the following manner:

- a. Failure to comply with owner occupancy restrictions:
If during the 10-year compliance period, the homeowner ceases to comply with the owner occupancy restrictions set forth in the note, mortgage and HOME Written Agreement, or otherwise defaults under the note or mortgage, the City will recapture the entire amount of the loan.
- b. Transfer of the home during the 10-year compliance period:
 1. If, prior to the 6th anniversary of the purchase, the homeowner transfers the home, the City will recapture the entire amount of the loan.

2. If, on or subsequent to the 6th anniversary of the purchase until the end of the compliance period, the homeowner transfers the home, the City will recapture the lesser of (1) the net proceeds of such a transfer and (2) the loan amount, which amount shall have been reduced by one-fifth (1/5) on the 6th anniversary of the purchase and on each subsequent anniversary thereof. The net proceeds of a transfer are defined as the difference between the consideration received for the home and certain allowable closing fees.
3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds. See 24 CFR 92.254(a)(4) are as follows:
The HOME Written Agreement used in HPD's HomeFirst Down Payment Assistance Program prescribes a minimum affordability period of 10 years, the standard required by HUD under 24 CFR 92.254(a)(4) for per unit investments at \$40,000. This is also the maximum loan amount HPD offers eligible homeowners via this initiative. HPD employs only the recapture option for the HomeFirst program, as described in question 2 above. HPD does not intend to utilize the resale option for any of its HOME-funded homeownership programs.
4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

HPD does not intend to use HOME funds to refinance existing debt secured by multi-family housing for rehabilitation purposes.

Other HOME Requirements

HPD Affordable Housing Development Program

Solicitation and Funding of Developer Proposals/Applications

HPD typically selects development teams for development on City-owned properties through an open and competitive Request for Proposals. Request for Qualifications or Request for Expressions of Interest process. The RFP/RFQ/RFEI is advertised broadly and application materials are posted on the agency's website at: <http://www1.nyc.gov/site/hpd/developers/rfp-rfq-rfo.page>.

A pre-submission conference is typically held shortly thereafter to address questions in person, and applicants have several months to submit proposals. A jury of HPD and HDC staff with expertise in planning, housing finance, and design review the proposals. The selection process consists of two stages: 1) a review of threshold requirements and 2) a review of competitive requirements. Submissions that meet all threshold requirements are comprehensively evaluated and rated according to competitive selection criteria set forth in the RFP/RFEI. HPD may request additional information, interviews, presentations, or site visits in order to make a selection. In certain circumstances, HPD may elect to enter into direct negotiations with a developer. For example, where an adjacent property owner proposes a development that will render more affordable housing units than can be achieved solely on a City-owned site.

Once selected, projects may be considered for HOME funding where they meet HOME program requirements and align with HPD's priorities for affordable housing development.

Program Preferences

HPD's affordable housing development programs use HOME funds in the creation of affordable multi-family rental housing for income-eligible New Yorkers. HPD deploys HOME funds in a number of initiatives that provide long-term affordable housing, including supportive housing for formerly homeless, seniors, and other vulnerable populations. Units in these affordable housing projects are filled either through referrals from New York City social service agencies such as in supportive housing and senior housing projects or are marketed through the HPD's lottery system online via NYC Housing Connect. In some of the projects, applicable law requires that a portion of the units be set aside for persons with mobility disabilities and a hearing or vision disability. In addition, HPD may require that some of the affordable units in a project include a preference for municipal employees, New York City residents, and community board residents pursuant to HPD's Marketing Handbook guidelines.

HomeFirst Down Payment Assistance Program

HPD allocates a portion of its HOME funds to provide first-time down payment assistance for the purchase of one to four family homes to qualified applicants. Purchase price limits are set according to HUD's published HOME program affordable homeownership limits. Accordingly, HPD is not required to determine the purchase price using the 95 percent of the median area purchase price calculation and set forth the information as prescribed by 24 CFR 92.254(a)(2)(iii). Prospective homebuyers must be income-eligible and successfully complete pre-purchase counseling from an HPD-approved Homebuyer Education Counseling Agency in order to qualify for the HomeFirst Program. HPD utilizes a loan servicer for the HomeFirst Program.

Applicants are placed with a housing counselor who determines their eligibility for the HomeFirst Program. The counselor provides the applicant with written program guidelines, including income requirements, purchase price limits, eligible house requirements, a list of participating lenders and educates them on the mortgage process. The counselor also assesses client's purchasing ability based on income, savings and other sources of funds and estimates amount of the HomeFirst loan based on the home purchase price. Once the applicant executes a purchase contract, obtains a mortgage commitment from an approved lender and meets all other program criteria, the counselor submits a HomeFirst Application for the down payment assistance loan directly to the loan servicer.

HPD provides the program application exclusively to the loan servicer and all of the homebuyer counseling agencies participating in the HomeFirst Down Payment Assistance Program. Only counseling agencies are authorized to submit a HomeFirst application to the loan servicer for the down payment assistance loan. Applicants are not able to access a HomeFirst application independently. They are required to undergo counseling and have the application submitted by a certified counselor, on their behalf. Interested applicants can access eligibility requirements and full program details at <http://www1.nyc.gov/site/hpd/owners/homeowner-downpayment-assistance.page>.