

Leveraging HCR Funds

Tom Carey

NYS Homes and Community Renewal

Weatherization Plus Health Conference

New York, NY

March 19, 2012

About HCR

- 1920s: NYS Housing Commission
 - Formed to address unsafe housing
 - Public role dates to 19th century
- DHCR supervises Mitchell-Lama, public housing, administers rent stabilization
- 2011: State's housing programs merged
 - HFA, HTFC, AHC, DHCR under common leadership, better coordinated
 - Each area still meets statutory mandates

HCR Structure

- Office of Finance and Development
 - Capital funding and tax credits
 - Primarily multifamily development
- Office of Community Renewal
 - Single-family rehab, home ownership
 - Economic development (CDBG, Main St.)
- Office of Housing Preservation
- Office of Administration

Housing Preservation

- Supervises affordable housing portfolio
 - Administers Section 8
 - Public housing & Mitchell Lama management
 - Rent regulation
 - Weatherization
- Improved coordination between Management Bureau, Section 8 and Wx
- Missions better aligned

- Office of Finance and Development funding no longer through Consolidated Funding Application process
- Funding opportunities over in past few years have included strong incentives for preservation projects
- Green initiatives in capital, tax credit applications include incentives for healthy development practices

Local Programs

- Office of Community Renewal: Federal programs
 - CDBG, HOME facing cuts
- OCR State-funded programs:
 - Access to Home: accessibility modifications
 - RESTORE: emergency repairs for seniors
 - NY Main Street: 2nd floor housing
 - Affordable Home Ownership
 - funds can be used for rehab of existing housing
 - matching requirement

Local Programs

- Eligibility: most of these programs can assist households up to 80% of AMI
- Applicants: non-profit or local government
- RESTORE: 1-4 unit elderly owner-occupied; \$7500 for emergency repairs
- Access to Home: \$25,000 per unit for accessibility modifications & related health and safety measures



Why Weatherization?

- We're in thousand of units every year.
- Low-income households struggle with utility costs – often more than 15% of income
- Owners struggle with operating costs and turnover in inefficient housing
- NYS has the oldest housing stock in US and high oil and electric costs
- Half of US expenditures for space heating and cooling are wasted due to inefficient housing

Weatherization

- Federally funded (US DOE, HHS), administered through network of non-profit subgrantees
- Intended to help low-income households reduce energy expenditures with efficiency measures
- Assists both rental and owner-occupied bldgs
- Strong emphasis on health and safety
- All work done by trained, certified workers
- Saves more than \$600 in energy costs per year, per household, on average

Wx Funding

- Recovery Act provided \$396 million to NYS
- Average cost-per-unit limit raised to \$6500
- Assisted 70,000 units, supported 1400 jobs
- Significant increase in training resources
- Regular annual funding has averaged \$70 mm
- 2012 funding: \$60,000,000
 - Currently accepting comments on our annual plan
- 2013 outlook: further cuts

Funding Considerations

- Eligibility: 60% of **state** median
 - Additional rules for rental housing
- Subgrantees must prioritize HEAP clients, others
- Energy audit determines work to be done
 - Views house as a system
 - Includes energy-related health and safety work
- Uses trained and certified workers
- Owner investment may be required
- Post-inspection/quality assurance
- Federal procurement, administrative rules

Coordinating with Wx

- Coordination works best if subgrantee involved early in pre-development phase of project
- Subgrantee will conduct eligibility review
- Subgrantee will arrange energy audit
- Audit determines workscope (work with SIR>1)
- Federal financial/procurement rules apply
- Potential for referrals or shared work agreements to reduce deferrals
- HCR will help facilitate coordination, especially with other HCR programs

Other State Funding

- NYSERDA
 - EmPower
 - Multifamily Performance Program
 - Home Performance/Assisted Home Performance
 - Green Jobs NY
- PSC-mandated Utility Programs
 - New incentives for utilities, tied to 15% goal
 - Other utility programs

Strategies

- Enter into MOU with local partners
- Agree to target some funding or certain number of units each year
- Work with local code officials and community development offices
- Get involved with local planning process
- Use state regulatory agencies (DOH, DOL)
- Engage neighborhood, landlord associations
- Plan ahead – start early

For More Information

- Weatherization – contact us at weatherization@nyshcr.org, or call (518) 474-5700
- HCR Capital or Local Program funding – call (212) 480-6700

www.nyshcr.org