



Rural Delivery

January, 2017

Governor's State of the State Delivered

Among the many issues covered in Governor Andrew Cuomo's State of the State address delivered in New York City on January 9th, he noted that employment levels in the state have reached record levels. Yet income inequality continues to challenge average New Yorkers, fanning middle class anger. Earning potential is less than 20 years ago. Equity in homes was stolen from New Yorkers in the recession and half of the homes in the state still have not recovered pre-recession levels of value. No one went to jail for the banking practices that led to the recession. Student debt exceeds credit card debt and consumer debt at \$1.3 trillion. He noted that there still are record numbers of homeless on the streets.

One of the key features unveiled is the Governor's comprehensive plan to better protect senior citizens throughout New York from financial exploitation and foreclosure. The plan includes establishing an Elder Abuse Certification Program for banks located in New York State, amending the banking law to empower banks to place holds on potentially fraudulent transactions, and strengthening legislation that will protect senior homeowners with reverse mortgages. A study was conducted in New York State in 2013 that found the statewide impact of financial exploitation to be at least \$1.5 billion. The State Department of Financial Services will design the Certification Program, which will include training bank employees on how to recognize the signs of financial abuse. Upon completion of this certification, banks may display their certificate so consumers are aware of the special services they offer. Currently, banks are insufficiently using their power to place holds on, or prevent suspicious transactions involving elder financial abuse. The Governor proposes new legislation further empowering banks to place holds on potentially fraudulent transactions in order to protect their consumers, and be immunized for doing so in good faith. Once potential fraud is identified and a transaction hold is applied, banks will be required to report to the appropriate state agencies to take action.

Misled and misinformed by advertisements, senior citizen homeowners often choose reverse mortgages for an additional income without fully understanding that payments are still required for all taxes, insurance, and home maintenance. As a result of these deceptive practices, many senior citizens face foreclosure because of a missed tax or insurance payment. Under current law, consumer protections available to homeowners are not provided to homeowners with a reverse mortgage. These protections include settlement conferences, which are provided to New Yorkers facing foreclosure. In order to safeguard seniors from the risks of reverse mortgages and provide equal protections to all homeowners, Governor Cuomo plans the following actions:

Close Consumer Protection Loopholes: The Governor proposes amending the Real Property Actions and Proceedings Law and Civil Practice Laws and Rules to include reverse mortgages. This will require that the same consumer protections be provided to all homeowners, regardless of the lending product they utilize.

Launch Review of Regulations: The Governor will direct the Department of Financial Services to revisit and revise any rules and regulations pertaining to reverse mortgages. This will help to prevent future foreclosures and further protect New York homeowners.

In addition, Governor Cuomo said "New York is the financial center of the world and we have zero tolerance for those who seek to defraud customers and undermine the system," Governor Cuomo said. "The excesses and systematic abuse at the center of the Wells Fargo scandal is unacceptable and New York, in its role as a regulator, is seeking to take bold steps to crack down on this unacceptable behavior and ensure these bad actors are barred from working in this industry once and for all." The Governor is seeking to take the state's effort a step further by empowering the Department of Financial Services Superintendent with the ability to ban certain bad actors from the financial services industry for this type of conduct. Specifically, new legislation will add a section to New York's Financial Services Law disqualifying certain individuals from the banking or insurance industries if, after a hearing, the Superintendent finds they have done something so severe as to have a direct bearing on their fitness or ability to continue participating in the industry.

In other matters, the Governor is proposing another \$750 million for economic development work through the REDCs, and \$650 million to build a life sciences industry in New York City in partnership with Johnson and Johnson. He also has designated Brooklyn as a Pilot Program to create a model for wellness through lifestyle and community development efforts.

AHC Awards Announced

The latest round of AHC awards was announced on December 27th. Pathstone was awarded \$440,000 for a home improvement program to repair 24 units scattered across 5 counties in western New York. North Country Affordable Housing received \$350,000 for the acquisition and rehabilitation of 9 units in Jefferson County. The Housing Assistance Program of Essex County received \$400,000 for acquisition and rehabilitation of approximately 15 units in Essex and Clinton Counties. Arbor Housing and Development was awarded \$1 million to repair approximately 60 homes in Chemung, Schuyler, Steuben, and Allegany Counties in the Southern Tier. Congratulations to the winners!

Cymbrowitz Named Assembly Housing Chair

New State Assembly Speaker Carl E. Heastie has named long time Brooklyn Assemblyman Steven Cymbrowitz to lead the Assembly Housing Committee. Cymbrowitz was first elected to the Assembly in 2000 and has been an active member of the housing committee. Prior to this appointment, he was chairman of the Assembly Aging Committee. Before coming to the Assembly, Cymbrowitz held several positions in the housing arena including serving as Executive Director of the North Brooklyn Development Corporation and as Assistant Commissioner in the New York City Department of Housing Preservation and Development. Cymbrowitz replaces Keith Wright of Manhattan who did not seek re-election.

Another MH Park Becomes Cooperatively Owned

The 149 home Creek and Pines Mobile Home Park in Saratoga County became a resident-owned cooperative thanks to the support of PathStone and financing from NYSHCR, it was announced on December 20th. Now known as Kaydeross Acres, the transaction includes financing for much-needed repairs. State financing made the resident purchase of the park possible. The resident purchase of Kayadeross Acres, Inc. truly represents a transformational opportunity. Upon closing,

the Resident Corporation will be working to replace infrastructure, rebuild the playground so that the many children that live in the community have a place to play, and to help existing homeowners under “retail installment contracts” refinance into more affordable home loans. A portion of the financing also came from ROC USA. This is the third park in New York converted to resident ownership with assistance from HCR and PathStone in 2016.

2017 Statewide Foreclosure Prevention Funding Advocacy

January 18th Webinar Scheduled

With HOPP going away, the need for foreclosure prevention funding is greater than ever. In this webinar, learn about what the Empire Justice Center, and their partners are doing to advocate for next year’s funding, and what you can do to help. Call to action, tips, and strategies will also be discussed. Join in the effort to sustain crucial services to New York homeowners.

Presenters will be Kirsten Keefe of the Empire Justice Center and Caroline Nagy from the Center for NYC Neighborhoods. Registration is required. To register, visit: <https://attendee.gotowebinar.com/register/9186546473410158083>. Due to space constraints, please limit your registration to 1-2 members within each organization, or view the webinar as a group within your offices.

Renewable Energy Grants Due By March 31

March 31st is the deadline for grants of up to \$20,000 for USDA’s Rural Energy for America Program for renewable energy systems. Agricultural producers and rural small businesses are eligible to apply for grants and loans from this program. For more information, visit www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency/ny.

Rural Advocates To Hold Legislative Conference

Affordable housing advocates will gather in Albany February 27th and 28th to make the case for continued support for the Rural Preservation Program and other State programs that provide essential housing services to low income households in rural parts of New York State.

Organized by New York State Rural Advocates, the annual event has proven effective as funding for RPC and the other programs has increased significantly in the past several years. The meeting kicks off with a late afternoon meeting and dinner at the Holiday Inn Express in downtown Albany on Monday, February 27th. There will be presentation by Rural Advocates staff and by others who are interested in affordable housing issues in Albany. On Tuesday activities move to the State Capitol and the Legislative Office Building for meetings with elected officials and members of their staff.

A block of rooms has been reserved for Monday night at the reduced rate of \$115. For reservations call the Holiday Inn Express at 518-434-4111 and mention the group code "RAG". For additional details watch NYS Rural Advocates website at www.ruraladvocates.wordpress.com or contact Rural Advocates at nysruraladvocates@gmail.com.

Survey On Admin Expenses

On December 13th, the Rural Housing Coalition distributed a survey for RPCs on their historic experience with the cost of administering governmental housing programs. We want to sincerely thank those RPCs that took the time during the busy holiday season to respond to the survey, which is designed to get a better idea of the actual cost of running housing assistance programs.

The data collected to date indicates that most of the respondents find that administrative expenses run between 10 and 12.5% of the grant award. In addition, a number of respondents noted that the administrative burden is a fixed amount, not dependent upon the size of the grant award. Unfortunately, most respondents have never been provided an explanation of why admin costs are capped at artificially low levels, and the cost of administering the programs often becomes a financial burden to the sponsor organization.

If you would like to weigh in on this survey, please visit

www.surveymonkey.com/r/?sm=3nfAmmGPi684p7MCNuadYoG5wmLIVwbYI2q23cPmeyDqNJFBIOS8BakZFL2qFU1o5WamgIQEv80ArRyxY8EblvDbuVysXS9YgXV5Aqwpnx8DkaJ_2BGR1fMetPurY7wrjhgY8mcYqack9uGaSHfGB7HsbWJpqizX6wT2tbsMiDphBrTKIEGLp8U3wnWEUhjRtySzOOhCg_2FWvGTOIZ_2BRQniLB6foo2_2Biw0CqGbO_2F8RGzNg_3D

HUD Proposed Rule On Flood Plain Elevation Under Consideration

On October 28th, HUD issued a proposed rule that would revise HUD's floodplain regulations by establishing new "resilience standards" through a proposed Federal Flood Risk Management Standard (FFRMS) floodplain. The FFRMS would impose higher elevation requirements for newly constructed and substantially improved HUD-assisted or HUD-financed properties, including Federal Housing Administration (FHA) mortgage insured properties. The proposed rule would require "non-critical" properties, such as single family homes, located within the 100-year floodplain (also known as base flood elevation) be elevated two feet above the base flood elevation. Properties deemed as "critical," such as hospitals, located within the 100-year floodplain would be required to be elevated above the 500-year floodplain or three feet above the base flood elevation, whichever is greater. The proposed elevation requirements would not apply to mortgage refinancings unless the borrower seeks to use FHA financing to fund renovations or improvements that is equal to at least 50 percent of the property's value. As a less costly alternative to additional elevation, the proposed rule would allow non-residential and certain mixed-use structures to be floodproofed in a manner that is consistent with the latest Federal Emergency Management Agency (FEMA) standards. It is important to note that the proposed rule would not change the status quo for which actions require a structure's elevation and floodproofing. Instead, the rule would require structures already subject to current regulations to build additional elevation as an "extra buffer." According to HUD, this would "increase resiliency and reduce property damage, economic loss, and loss of life, and would also benefit homeowners by reducing flood insurance rates." Along with higher vertical elevation standards, the proposed rule would widen the proportional horizontal floodplain area around the site for structures that are subject to HUD's floodplain regulations. The proposed rule would also revise HUD's Minimum Property Standards for new or substantially improved one-to-four unit properties with mortgages insured by the FHA and for public housing developments. These types of properties (with or without basements) located in the 100-year floodplain would have to be built with the lowest floor at least two feet

above the base flood elevation, using best available data. However, consideration of the extent of horizontal flooding would not be required. Finally, the proposed rule would amend current environmental review regulations for minor rehabilitation of one- to four-unit residential properties by removing the qualification that the footprint of the structure may not be increased in a floodplain or wetland when HUD performs the review. The public comment period for this proposed rule closed on December 27th. HUD is currently evaluating the public feedback. Stay tuned.

NCRC Conference Planned

The 2017 National Community Reinvestment Coalition Annual Conference, "Creating a Just Economy," will take place March 28-30, 2017 at the Capital Hilton hotel in Washington, DC. To register, please visit: www.eventbrite.com/e/2017-ncrc-annual-conference-registration-27282259974.

United for Homes

NLIHC Relaunches United for Homes Campaign January 11th

The National Low Income Housing Coalition is relaunching the United for Homes (UFH) campaign calling for a rebalancing of federal housing investments through mortgage interest deduction reform. NLIHC will host a webinar at 2:00 PM on January 11th for current UHF endorsers to preview a new website and an array of advocacy tools. An additional webinar will be scheduled in February for other affordable housing advocates who wish to learn more about the UFH campaign.

Coalition Committee Chairs Announced

William Vogt, Chair of the Rural Housing Coalition Board of Directors, recently announced the new Chairpersons of the Board's committees for the current year. The Executive Committee is chaired by Mr. Vogt; the Finance Committee is chaired by Kent Brown; the Personnel Committee is chaired by Chris Raymond; the Long Range Planning Committee is chaired by Sharon Reynolds; the Membership Committee is chaired by Cheryl Shenkle-O'Neill; the Conference Committee is chaired by Renee Bloom; the Nominating Committee is chaired by Julie Chevalier; and the Audit Committee is chaired by Faith Moore.

Career Opportunities

Housing Rehabilitation Coordinator - Organized individual with strong computer and construction backgrounds to deliver Housing Rehabilitation Programs. Must have the ability to self-manage time, recognize housing defects and recommend repairs to correct them, complete governmental forms, and interact with municipal governments. Minimum 3 years' experience in the building trades with excellent communication, computer and writing skills. Must have your own reliable transportation, mileage reimbursement, travel in Clinton and Franklin Counties is required; 12 month full-time (35 hr/wk) appointment to start, some evening meetings.

Send resume, letter of introduction and list of references to: Executive Director, Friends of the North Country, Inc.,

1 Mill St., P.O. Box 446, Keeseville, NY 12944. EOE.

or email to info@friendsofthenorthcountry.org

Upstate East Development Director- New York State Homes and Community Renewal (HCR) seeks an Upstate East Development Director to focus on development and deployment of HCR Multifamily Programs in the Capital Region, Mid-Hudson Region, and the eastern portions of Mohawk and North County Regions. QUALIFICATIONS: Bachelor's degree; Master's degree preferred; five years housing experience, particularly multifamily housing and/or mortgage finance; supervisory experience preferred; excellent oral and written communication skills; proficient with Excel. TO APPLY, please send resume and cover letter to: Housingplanjobs@nyshcr.org. Please include the name of the position that you are applying for in the subject line. New York State is an Equal Opportunity Employer (EOE).

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