



# RD Rural Delivery

New York State Rural Housing Coalition, Inc.

September, 2013

## 2013 Conference Agenda To Be Released

The staff of the Rural Housing Coalition is working diligently to be able to release the workshop agenda for the 34th Annual Affordable Housing and Community Development Conference in Rochester on October 9th and 10th. The conference agenda will again be released this year via Constant Contact, and attendees must register online. The online registration makes it possible for the Coalition to offer the ease of paying by credit card for their registration fees. The Constant Contact email should go out around Labor Day weekend.

Highlights of this year's Conference include:

**Financial and Organizational Management skills-building workshops**

A one-day conference for buyers and sellers of Section 515 rental projects.

**Brownfields Redevelopment-** two workshops on how to address the environmental and blight challenges of sites that are contaminated, preventing their re-use and re-development as productive community assets.

**Minority and Women Owned Business Utilization Under State Contracts:** practical guidance on how to comply with state requirements for meeting MBE and WBE goals

*Four of Community Development projects in Rochester*

Data Sources for Needs Assessments!

**Using the New Markets Tax Credit to finance your community development project.**

*The Impact of Sequestration on Section 8 Providers- What's next?*

**Working with your Regional Economic Development Council**

**RPC Program Recertification Requirements**

**AND MUCH MORE!**

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If you haven't seen your registration email by September 5th, be sure to check your junk email box. We're looking forward to seeing you in Rochester in October!

**RD**

**Rural Delivery**

Rural Delivery is published by the  
New York State Rural Housing Coalition, Inc.

The Coalition is a non-profit statewide membership organization dedicated to strengthening and revitalizing rural New York by assisting housing and community development providers.

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## Bits and Pieces...

### Market Analyst Conference Slated

On October 23rd and 24th, the National Council of Housing Market Analyst's Annual Meeting will be held in Columbus, Ohio. NCHMA's Annual Meeting is a one-and-a-half day meeting held each fall that focuses on key affordable housing development, underwriting, and market study issues. The conference agenda includes a mix of program updates, roundtable discussions, market analysis updates, and networking events. The event is open to members and non-members alike and is designed particularly for affordable housing professionals including market analysts, developers, debt and equity underwriters, appraisers, and government officials.

New York State Rural Housing Coalition, Inc. members will receive 15% off registration fees by using the promotion code NYRHCCNAM during NH&RA's online registration. Visit the online registration site at [www.housingonline.com/EventDetail.aspx?EventListItemID=dc52ac33-e4ff-4cf9-b002-20657d8f0ef0](http://www.housingonline.com/EventDetail.aspx?EventListItemID=dc52ac33-e4ff-4cf9-b002-20657d8f0ef0).

### Notice of Annual Meeting

The 2013 Annual Meeting of the New York State Rural Housing Coalition will take place on Wednesday, October 9th from 12:30 to 2:00 PM at The Hyatt Regency Hotel, 125 E. Main St., Rochester, NY. The Annual Meeting will be held in conjunction with the Coalition's annual Affordable Housing and Community Development Conference. The Annual Meeting will include elections to the Board of Directors and other business as required. All members of the Coalition are encouraged to attend.

Federal and U.S. military employees can support the Rural Housing Coalition through the annual Combined Federal Campaign (CFC). If you are a federal government or military employee and would like to donate through the CFC, please enter CFC code #9614 on your pledge card during the next fund drive.

## HUD Releases Policy Suggestions From Sandy Recovery Task Force

HUD Secretary Sean Donovan released new policies to help communities plan for and respond to natural disasters, based on the experience of Hurricane Sandy recovery on August 19th. The policies recognize that communities located in areas subject to damage from natural occurrences can minimize the impact of future storms through implementation of policies on infrastructure design, roads and bridges, small businesses, and housing.

One of the major goals of the strategy recommendation is “Providing Families Safe, Affordable Housing Options and Protecting Homeowners” by:

- o Helping disaster victims to be able to stay in their homes by allowing homeowners to quickly make emergency repairs.

- o Preventing responsible homeowners from being forced out of their homes due to short-term financial hardship while recovering from disaster by creating nationally-consistent mortgage policies.

- o Making housing units – both individual and multi-family – more sustainable and resilient through smart recovery steps including elevating above flood risk and increased energy efficiency.

- o Communicating to state and local governments, residents, and workers consistent guidance on how to remediate indoor environmental pollutants such as mold.

For more information, visit: [http://portal.hud.gov/hudportal/HUD?src=/press/press\\_releases\\_media\\_advisories/2013/HUDNo.13-125](http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2013/HUDNo.13-125).

## Pattern Luncheon To Feature Wright/Tkaczyk

Hudson Valley Pattern for Progress will host their Annual Housing Luncheon on September 24th at Anthony’s Pier 9 in New Windsor, NY. Featured speakers at the luncheon will be Assemblyman Keith LT Wright, Chair of the Housing Committee, and Senator Cecilia Tkaczyk.

Joe Czajka, Vice President of PfP and head of the Center for Housing Solutions, will present Housing

*and the Economy; Emerging Trends and Demographics*. He will explore the demographics and envision best approaches to a valley that is shrinking in some ways and growing in others. The luncheon will begin at 11:30 and conclude at 2:00 PM.

Lunch is \$50 per person (\$60 for non-members). For more information, contact PfP at (845) 565-4900 or e-mail [rdegroat@pfprogress.org](mailto:rdegroat@pfprogress.org) or fax to (845) 565-4918.

## CDFI NOFA Q&A Released

The Community Development Financial Institutions Fund has provided supplemental guidance to potential 2013/2014 New Markets Tax Credit Program applicants by updating the 2013/2014 NMTC Program - Application Q&A document on its website. The supplemental guidance is the result of specific questions that the CDFI Fund received during the two application round conference calls hosted on July 30 and August 1, 2013.

Topics covered by the revised guidance include community outcomes, raising capital from investors, and the applicant’s track record of financing activities, among others.

The updated document can be found on the CDFI Fund’s website at [www.cdfifund.gov/nmtc](http://www.cdfifund.gov/nmtc). Additional questions may be directed to the CDFI Fund’s Help Desk at [cd-fihelp@cdfi.treas.gov](mailto:cd-fihelp@cdfi.treas.gov) or (202) 653-0421. Please keep in mind that the deadline for any questions to the CDFI Fund about the application is 5:00 PM on September 16, 2013.

For more information about the CDFI Fund and its programs, please visit [www.cdfifund.gov](http://www.cdfifund.gov). The Rural Housing Coalition will be hosting an introductory workshop on the use of New Markets Tax Credit financing at the 34th Affordable Housing and Community Development Conference in Rochester on October 9th. For agencies not familiar with this financial resource, this workshop offers a great opportunity to learn more about a financial tool that is available from a source other than HUD, USDA, and NYS Homes and Community Renewal.

## USDA 515 Buyers & Sellers Conference

The Rural Housing Coalition and the New York State Office of USDA will be co-hosting a buyers and sellers conference for owners and prospective purchasers of existing Section 515 rental projects on October 10th, as part of the 34th Annual Affordable Housing and Community Development Conference in Rochester. The 515 portfolio houses some of the neediest tenants in rural New York, and represent an incredibly important affordable resource across the state. This conference is intended to bring together folks that are interested in purchasing available projects to ensure their availability in the future. Contact the Coalition for details.

## Program Profile: Friends Of The North Country

### Mobile Home Replacement Program

*In our regular feature, Rural Delivery welcomes members of the Rural Housing Coalition to highlight their community development projects and programs in the pages of this newsletter. This month, we are pleased to present the Mobile Home Replacement initiative of Friends of the North Country, in the Essex/Clinton/Franklin Counties region. In their own words, here is their story:*

In the 1980's/1990's Friends of the North Country, Inc. and other preservation companies replaced di-



lapidated homes and mobile homes from time to time with used, rehabilitated single-wide mobile homes in HUD CDBG programs. It soon became apparent that these used replacement homes didn't withstand deferred maintenance much better than the homes that were replaced, and we were returning to some of them in five or six years for repairs and rehabilitation. In the late 1990's the cost of new single-wide mobile homes was not much greater than the customary \$25,000 per project limit, so we proposed to HUD the installation of new single-wide mobile homes with full warranties, vinyl siding, insulated windows, and shingled roofs, instead of late-model used rehabilitated units. Although this was not common practice at the time, HUD agreed and when dilapidated homes were encountered, the installation of new mobile homes provided a solid, long-term solution to affordable housing for many.

In the early 2000's the cost of new single-wide mobile homes in-

creased to the point where it seemed that compact and energy efficient stick-built homes could be built for approximately the same cost, or at least only slightly more. In order to keep the soft costs for stick-built replacement as low as possible, Friends applied for and obtained a grant for drafting software, then designed two plan models in-house; a local engineer reviewed and stamped the plans pro bono. The

homes were designed with frost-protected slabs or crawlspaces;



the 2 BR unit a ranch style and the 3 BR unit a cape cod style, and each has one bathroom and utility room, with an open concept kitchen/dining/living area. The homes exceeded the Res-Check energy efficiency analysis by 20 - 30%. An accessible unit was later designed based on the original 2 BR ranch layout, and later a 3 BR ranch design evolved from the accessible ranch.

In 2003 a 2 BR 'pilot project' house (right) was built in Keeseville for a program-eligible disabled man at a total cost of \$39,000. The house was located in the historic district and so required certain exterior characteristics not seen in many new homes at the time: wood clapboard siding, wide corner boards, and full window trim.

In 2004 Friends applied to the NYS HOME program for a "Stick Built for Dilapidated Mobile Home" demonstration replacement pro-

gram, followed shortly thereafter by an application for NYS Affordable Housing Corporation to round out a funding package that would allow the houses to be built with 100% grant funds, avoiding the credit problems that many LMI recipients have with conventional financing. An important requirement of the program is that the applicant/homeowners attend and successfully complete post-purchase, budgeting, and home maintenance housing counseling provided by Friends certified housing counselors. (Another replacement program was implemented in 2008.)

In order to implement the program with any expediency, the income-eligible applicant's existing home must (of course) demonstrate the need for replacement and they must own it and the property, but the property must also have a permitted/known compliant well, septic system (or municipal water/sewer)



and electric service, adequate space on the property to build the new home while the owner(s) remains in their existing unit during construction, suitable soils and drainage for the new home, and ample access to the property. To date Friends has completed more than twenty stick-built replacement homes in Clinton County, and one in Franklin County. Each project is bid individually to a pool of independent contractors and the most recent costs (2008-2011) ranged from \$55-59,000 for 2 BR units and

## Basic STAR Registration To Begin

New legislation requires all homeowners receiving a Basic STAR exemption to register with the NYS Tax Department in order to receive STAR exemptions in 2014 and subsequent years. This does not impact 2013 STAR exemptions. This is part of a new initiative to protect New Yorkers against the costs of inappropriate or fraudulent STAR exemptions.

This applies only to Basic STAR recipients. Seniors receiving Enhanced STAR are not affected by the new registration requirement. Seniors must, however, continue to apply annually, or participate in the Income Verification Program. No action is required by homeowners at the present time. The State will mail all Basic STAR recipients information on when and how to register.

To support the registration effort, the following new penalties, sanctions, and fees have been enacted: penalties for intentionally providing misinformation to an assessor will increase from \$100 to as much as \$2500; the number of years for which a taxpayer must repay inappropriate STAR benefits will increase from three to as many as six years; taxpayers whose STAR exemption is revoked will be unable to receive the exemption for six years after the revocation; an additional \$500 processing fee will be imposed whenever an inappropriate exemption granted after April 1, 2013 is revoked. The processing fees and penalties will be retained by local governments, while the State will recover the value of the STAR benefits provided to ineligible taxpayers. To learn more about the new registration program, call (518) 457-2036

## Career Opportunities

### Office Manager/Rental Complex

Office Manager sought to cover rental inquiries and other management issues for 2 rental complexes located in Phoenix, NY. Related experience in multi-family USDA Rural Development financed complexes is requested. Excellent computer skills are required. Willingness to attend workshops/seminars is required. Duties include showing apartments, orienting new tenants,

collecting data for tenant recertification, maintaining files, collecting rents.

High school diploma required, college coursework is preferred. This position reports to the Management Agents. To apply, mail resume by September 30th to Patrick Rock at [rock.patrick@gmail.com](mailto:rock.patrick@gmail.com) or by regular mail to 116 State Street, Phoenix, NY 13135. EOE

The New York State Rural Housing Coalition is happy to be able to provide help wanted advertising opportunities for our members and non-profit community development agencies. Ad copy must be provided in Microsoft Word format, and may be transmitted by email to [rhc@ruralhousing.org](mailto:rhc@ruralhousing.org). Ad copy must comply with federal and state equal opportunity requirements to be published, and must be received by the 25th of the month to ensure placement in the succeeding issue of *Rural Delivery*. Ads provided in this fashion will also be posted in the Career Opportunities page of the Coalition's website, unless a request is specifically made not to place the advertisement on-line.

### TA Thursdays! & Rehab Rap Launched

The HUD Buffalo CPD Office is pleased to announce and invite you to new Training & Technical Assistance opportunities! This September HUD is introducing TA Thursdays! & REHAB Rap. These will be topic based roundtable discussions. It will be done via conference call – no travel needed.

Mark your calendars to join the conversation.

TA Thursdays! take place from 9:30 – 10:30 AM on the following dates:

*September 12, 2013* – Environmental Review Requirements & Record-keeping. Guest Presenter: Jacob Levine, HUD

*October 17, 2013* – Low & Moderate Income Areas: what are eligible, documentation strategies.

*November 14, 2013* – New HOME Rules – review and implementation.

*December 12, 2013* – Soft Costs – what's your rate and ideas to con-

what's your rate, and ideas to contain costs if needed.

*January 9, 2014* – Homeless PIT Counts – strategies for community engagement.

*February 13, 2014* – HEARTH Leasing – How's it going? What are the issues?

REHAB Rap takes place from 9:00 – 10:00 AM on the following dates:

*September 25, 2013* – 1) What's a good investment cap/limit – when do you walk away from a property 2) Anti-Spec standards & repayment (deferred grants, loans, etc).

*November 20, 2013* – HOME's 95% of after market value – real issues for selecting projects.

*January 22, 2014* – 1) Calculating rehab costs with and without LBP 2) Inspection standards – HQS, UPCS, Code,

For more information, contact HUD Buffalo at (716) 551-5755.

## Program Profile: Mobile Home Replacement Program Of Friends Of The North Country

\$64-68,000 for 3 BR units. After construction of the new home the owners are afforded some time to move their belongings, then the old mobile home is removed and dismantled off-site for proper disposal, or in some cases demolished on site, and the debris properly disposed of; contractors are requested to recycle as much as possible - the scrap metal from the old unit is often worth selling to the scrap yard.

Pitfalls to watch for – if there is a mortgage or lien on the existing mobile home, make sure the lender is agreeable to the replacement, and that the sum of the lien(s), mortgage(s), and grant mortgage(s) don't make the project top-heavy. Owner's need to be strongly cau-

tioned that taxes and insurance on the new home will be considerably higher than what they paid before replacement, and they must save in advance to avoid problems. Own-

ers should be advised early in the application process that there will be ten year liens on the new home that restrict borrowing against the equity in the home, and that even after the regulatory term is over, they need to be careful to avoid predatory lenders who will encourage them to 'cash in' on that equity.

On the upside, these homes are a permanent solution to affordable housing for many families who are trapped in a cycle of endless repairs

on single-wide mobile homes that afford them little or no equity, and no real opportunity to advance their homeownership situation. Future generations will benefit from these homes as they are a permanent solution to affordable housing that, without grant assistance, would be unachievable for the vast majority of these LMI mobile home owners. In 2010 the New York State Home Program application made funds available specifically for replacement of dilapidated or severely sub-standard single-wide mobile homes with new, Energy-Star rated single-wide mobile homes. Once again, we applied for HOME funds, then later NYS Affordable Housing Corporation funds. One of the more unique

features of the HOME initiative allowed for up to \$50,000 per project. As noted above, due to site limitations or other limiting factors, stick-built replacements are not always a viable option.

In those cases the speed with which mobile homes can be "swapped" is a distinct advantage, and it must be noted that the quality of mobile homes has improved immensely over the last ten to fifteen years.

We first bid out a 'package' that included the new mobile homes with set up, site work, demolition, and installation of a concrete slab,

but that one-stop-shop proved too expensive and beyond the scope of the program, so we scaled the mobile home dealer's responsibility back to just the mobile home and setup (including skirting, stairs, new oil tank, hookups, frost-proof cable for the water line, and sales tax). The site work, demolition, concrete (frost-protected) slab and in-slab utilities was bid to excavation and general contractors, and with that division of labor, the total of project costs came below the program limit (allowing a little project delivery).

Underwriting is performed by housing counselors to ensure that recipients of replacement homes can be successful homeowners, and housing counseling is a required element of the programs. Once again, check for 1st mortgages and liens on the existing mobile home and



make sure that lenders agree to the replacement in writing. Also, again try to install the new mobile home on the site while the owners remain in their existing unit although that sometimes is not possible; while the costs for interim shelter are program-eligible, those costs can escalate quickly with lodging and storage of belongings.

### STAR Training

The next STAR training will be on September 11th and 12th in Clearwater, FL, followed by a session on September 18-19th in Mt. Pleasant, Michigan. For more information, visit [www.spectrumseminars.com](http://www.spectrumseminars.com), or call (207) 767-8000.

Visit us online at [www.ruralhousing.org](http://www.ruralhousing.org)  
Keep current with updates on our Facebook page.



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