



# **GUIDEBOOK**

## **Homeowners Program**

**Andrew M. Cuomo, Governor of New York State**  
**RuthAnne Visnauskas, Commissioner/CEO,**  
**New York State Homes and Community Renewal**  
**Thehbia Hiwot, Executive Director, Governor's Office of Storm**  
**Recovery of the Housing Trust Fund Corporation**

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Prepared by  
Governor's Office of Storm Recovery of the  
Housing Trust Fund Corporation  
Office of Community Renewal

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## Introduction

This document outlines the elements of NY Rising Housing Recovery activities for Applicants participating in the NY Rising Homeowners Program which includes owner-occupied one- and two-unit single family dwellings.

## Eligibility

### ***Applicant Eligibility Requirements***

To qualify for assistance, at least one owner on the deed must have occupied the Property as their primary residence at the time of one of the qualifying storms.

- Ownership is defined as holding a fee simple title as evidenced by a warranty deed, bargain for sale deed, a quit claim deed to the Property or having an approved lease hold interest and improvement to be assisted. The deed must be recorded with the county, city, or appropriate local municipality.
- At least one Applicant must be on the deed that is a United States citizen or an eligible immigrant.

### ***Property Eligibility Requirements***

The home must have been damaged as a **direct result** of one of these storms:

- Hurricane Irene: (8/28/2011)
- Tropical Storm Lee: (9/7/2011)
- Hurricane Sandy: (10/29/12)

The home must be wholly residential in character. Properties containing home-based businesses will be limited to non-business uses. Second homes and vacation properties are **not eligible**.

Applicants must live in one of the counties of New York State designated a disaster area and owned the damaged house at the time of the storm.

Eligible Counties			
Albany	Franklin	Otsego	Tompkins
Broome	Fulton	Putnam	Tioga
Chemung	Greene	Rensselaer	Ulster
Chenango	Hamilton	Rockland	Warren
Clinton	Herkimer	Saratoga	Washington
Columbia	Montgomery	Schenectady	Westchester
Delaware	Nassau	Schoharie	
Dutchess	Oneida	Suffolk	
Essex	Orange	Sullivan	

## Maximum Benefits

The Program has analyzed the needs of the affected communities and the availability of funding and derived the following cap amount and allowances:

- Base Cap: The base cap amount for repair and/or reconstruction is **\$300,000**.
- Lower Moderate Income (LMI) Allowance: Applicants who are determined to be low or moderate income (total household income is less than or equal to 80 percent of area median income) qualify for an increase of **\$50,000** in the cap amount. (\$300,000 Base + \$50,000 LMI = \$350,000 maximum allowed cap).
- Elevation Allowance: Applicants with properties within the 100-year floodplain **AND** which are either substantially damaged or which have a reimbursement estimate (AA) plus repair estimate (ECR) with total more than \$150,000 are eligible for a **\$50,000** increase in the cap amount to facilitate elevation. (\$300,000 Base + \$50,000 Elevation = \$350,000 maximum allowed cap).
- Elevation and LMI Allowance: Applicants that meet the requirements for both Lower Moderate Income Allowance (LMI) and Elevation Allowance will qualify to receive both cap increases. (\$300,000 base + \$50,000 LMI + \$50,000 Elevation/Mitigation= \$400,000).
- Properties within the 100 Year Floodplain that **are not** substantially damaged are qualified to apply for funds to elevate; however, the \$50,000 cap increase will not apply, unless the AA and ECR exceed \$150,000.

## Summary of Program Activities

### ***Repair***

The Program assists in covering the costs to repair or reconstruct a storm-damaged home, replace damaged non-luxury appliances, and address environmental hazards such as lead and asbestos. Repair funding is not intended to replace the storm damaged home back to its original state. Rather, it addresses storm damage, unsafe conditions and calculates the industry standard costs and unit prices for repair items. Assistance is limited to outstanding eligible costs after funds from other public or private assistance provided for rebuilding. These forms of other assistance include, but are not limited to, assistance from any federal, state, or local government program; private insurance proceeds; or charitable contributions.

### ***Reimbursement***

The Program may reimburse for the portion of the project which was completed prior to the initial Program damage assessment. All reimbursements are subject to thorough review and consideration relating to Program guidelines and U.S. Department of Housing and Urban Development (HUD) Community Development Block Grants-Disaster Recovery (CDBG-DR) guidelines. A home inspection (Damage Assessment) is conducted to determine the completed scope of work amount, and “Allowable Activities” (AA), upon which the reimbursement award is based. Under no circumstances will repair work completed **prior** to a qualifying storm event be reimbursed.

### ***Mandatory Home Elevation***

Applicants whose homes are located within the 100-year Floodplain **AND** whose homes have been substantially damaged are required to elevate. The Program determines Substantial Damage by

- Receipt of a Substantial Damage letter from their Floodplain administrator, or
  - Inclusion in the Federal Emergency Management Agency (FEMA) data set and/or the municipality indicating the home was substantially damaged, or
  - The home is determined to require demolition and reconstruction.
- For a full description of the Program’s processes and Mandatory Elevation design requirements, refer to the **“Home Elevation Design Guidance”** and **“Program Maximum Design Criteria for Structural Elevation”** which are available on our website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

### **Interim Mortgage Assistance**

Interim Mortgage Assistance (IMA) may be available for Applicants who are eligible participants in the NY Rising Housing Recovery Program and have had or are having financial difficulties in paying their mortgage notes due to additional housing payments.

The award is the Monthly Mortgage Amount (interest, principal, taxes, and escrow) of an Applicant’s primary residence damaged by a qualifying storm. Applicants must show proof of an Additional Housing Expenses (including but not limited to hotel receipts, rental payments + utilities gas, electric, oil, water) to be eligible for reimbursement.

- For more information on Interim Mortgage Assistance, refer to the **“Interim Mortgage Assistance (IMA) Application”** and **“Interim Mortgage Assistance (IMA) FAQ”** which are available on our website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

### **Optional Resiliency Measures**

The Program may provide funding for certain optional items - elevation, mitigation or bulkhead repair. After opting in for one or more optional resiliency measures, Applicants must complete the design process and submit all required documents to the Program within a specified period. The optional measures program is no longer accepting applications. For more information about the Program’s design and environmental requirements and for the Program’s scheduled disbursement of awards funds for Optional Elevation, Bulkhead repair and Optional Mitigation, refer to the **“Fact Sheet for Optional Items”** and the **“After Opting In Fact Sheet”** which are available on our website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

### **Optional Elevation**

Applicants whose properties are in the 100-Year Floodplain, but who are not substantially damaged and/or substantially improved and applicants not in the 100-year flood plain, but suffered repeated flood loss as evidenced by at least two flood insurance payouts within a 10-year period **are** eligible for elevation funding but will not receive an increase in their maximum benefit cap. The optional elevation program is no longer accepting applications.

- For a full description of the Program’s processes and Optional Elevation design requirements, refer to the **“Home Elevation Design Guidance”** and **“Program Maximum Design Criteria for Structural Elevation”** which are available on our website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

## **Bulkheads**

Bulkhead repair or replacement, in place and in kind is available for applicants whose homes were damaged in one or more of the qualifying storms. If eligible, bulkhead repair work must support the investment made in that home. The optional bulkhead program is no longer accepting applications.

- For a full description of the Bulkhead repair/replacement design requirements, refer to the “**Bulkhead Design Guidance**” which is available on our website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

## **Optional Mitigation Measures**

Funding for optional mitigation measures is available to Applicants who are repairing their homes, regardless of their flood plain designation. The following are the measures that are included in optional mitigation:

- Elevation of mechanicals, electrical and plumbing components
- Securing of fuel tanks
- Use of flood resistant building materials below base flood elevation (retrofits to be limited in scope to be cost effective)
- Installation of flood vents
- Installation of backflow valves
- Installation of roof strapping

## **Inspections**

### **ECR and AA Reports**

The Construction Management Team works with applicants to schedule necessary inspections of the damaged home. During the initial damage inspection, the Program Inspector documents the damages the home received and completes a damage write-up. The write up may consist of an Estimated Cost of Repair (ECR) for the repair work remaining to be done, and/or if work has already been completed, an Allowable Activities report (AA) for work already done, that is eligible for reimbursement. The ECR will provide each applicant with the Program’s estimate of the basic costs needed to repair the home. In addition, if the applicant is required to elevate or eligible to optionally elevate, an estimated cost of repair (ECR) for elevation is also produced.

If the home needs to be demolished and reconstructed, the AA/ECR will not detail the line item costs needed. Instead, the cost to reconstruct, including elevation costs and design fees will be calculated by multiplying the number of square living feet of the damaged home by \$160 per square foot plus \$5,000 for demolition. There will also be a \$25,000 extraordinary site conditions allocation within the overall award cap for homes deemed as reconstruction.

### **Environmental Review**

All homes must go through an environmental review process to ensure that all rehabilitation activities comply with applicable state and federal laws. After the initial damage inspection, the Environmental Team creates a “*Tier 2*” environmental review document and itemizes the environmental documents and conditions that must be met to successfully close out of the Program.

All homes are subject to required lead, asbestos, and radon inspections, as applicable, and all projects are required to receive a clearance inspection upon completion.

- For a detailed explanation of the Program’s environmental requirements, refer to the comprehensive fact sheets, “**Understanding Your Tier 2,**” “**Understanding Environmental Testing,**” and “**Environmental Remediation Guidance**” which can be found on the Storm Recovery website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

## Architects, Engineers and Contractors

The Program pays a 10% allowance for design costs/ construction management services, provided either by a dedicated design professional, or a contractor as part of the construction scope. Ancillary design expenses incurred for surveys, soil tests, foundation investigations, and/or elevation certificates prepared by an engineer are also eligible for funding. However, design and construction management services are included in the \$160 per square foot calculation for Reconstruction awards; plus, the \$5,000 for demolition and \$25,000 for extraordinary site conditions, if applicable.

Applicants are responsible for hiring their architect and contractor who is legally allowed to work in the jurisdiction of the Property. Applicants are also responsible for negotiating the final costs of construction with their contractor.

## Duplication of Benefits (DOB)

The NY Rising Program is meant to address the unmet financial needs of applicants. Financial assistance received from an entity, like insurance, FEMA, SBA, non-profit organizations, faith-based organizations, other disaster relief organizations, and other governmental entities for the stated purpose of housing repair may be considered as Duplication of Benefit (DOB).

In accordance with the Stafford Act, Disaster Recovery funds issued through HUD’s Community Development Block Grant Disaster Recovery (CDBG-DR) program may not be used for any costs for which other disaster recovery assistance was previously provided. Applicants are required to disclose all sources of disaster recovery assistance received, and the Program is required to verify the amount received.

## Calculating Awards

Award calculations take the amount of the Estimated Cost of Repair (ECR) and Allowable Activities (AA) and then deduct duplicative benefits received. As noted earlier, funds received from other sources that were intended for repair and reconstruction are a Duplication of Benefits (DOB) and are deducted from the award amount. The result is the Unmet Need Amount. If the Unmet Need does not exceed the applicable cap, it becomes the Maximum Award Amount. If the Unmet Need exceeds the applicable cap, the cap amount becomes the Maximum Award Amount.

- For more information on calculating awards, refer to the fact sheets “**Homeowners Receiving an Award,**” “**Understanding Repair Awards**” and “**Understanding Reconstruction Awards**” which can be found on the Storm Recovery website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

## Payments

### **Reimbursement Awards**

If the award is for reimbursement only, the entire amount of the grant award, as indicated on the Allowable Activities (AA) less the duplication of benefits, may be disbursed after the closeout review has been completed and the Program confirms that the file contains all the required documents and meets all the Program requirements for closeout.

Applicants who are receiving Reimbursement Award funds AND either Repair Award funds or Optional Items Award funds receive all their Reimbursement funds at the time they receive the first payment for the other types. Please note that the amount of the Reimbursement award may change (increase or decrease), if the DOB amount changes, or if the AA estimate is adjusted.

### **Repair/Reconstruction Awards**

If the award is for either repair or reconstruction work to be done, 50% of the initial grant award for prospective work, as identified in the Program's ECR less the DOB, is disbursed once a Grant Agreement has been signed. If the award is for reconstruction only, an Extraordinary Site Conditions Award in the amount of \$25,000 and a demolition allowance of \$5,000 is included in addition to the first payment. Please note that the amount of the Repair/Recon award may change (increase or decrease) if the DOB amount changes, or if the AA or ECR estimate is adjusted.

### **Optional Awards**

After applicants opt in for one or more optional items, the Program releases either a design fee advance payment or in the case of Elevation, payment of a 10% Design Fee, unless the Applicant has remaining DOB which exceeds this fee. Payment for the first 50% of the estimated construction cost and any additional design fee to which the Applicant may be eligible is released when the Applicant has submitted all required design documents, and the Program has completed any applicable environmental reviews.

### **Interim Payments**

Applicants may request an interim payment if they have made substantial progress either in repairs, reconstruction or optional elevation of the damaged property, and need additional funds to complete the remaining scope of work. Interim payments are intended to bring the disbursed amount up to 75 % for repair/reconstruction; and up to 90% for optional elevation. For more information on Interim Payments refer to the **“Interim Optional Elevation Payment”** and **“Interim Repair Payment”** fact sheets which are located on the Program website:

<http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

Final Payments are released when applicants pass and complete the “Closeout Review Process.”

For more information regarding payments, refer to the fact sheet **“Types of Payments within your Award”** fact sheet which is located on the Program website:

<http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

## Clarifications and Appeals

On occasion during the Program, applicants receive communications indicating their Program eligibility and award amount, based on available information at the time. Any applicant with questions about their award or eligibility should reach out to their Customer Representative to discuss their award amount or the award determination process.

If the applicant disputes an eligibility determination or an award amount and wants a further review, they should request a Clarification from their Customer Representative. When the Clarification review is completed, the applicant will receive a Clarification Determination document noting if there are any changes in their eligibility or award amount. If the applicant agrees with how the Program resolved the issue, then the applicant does not need to do anything. If the applicant disagrees with the clarification determination and wishes to appeal, they have 60 days to submit the Appeal form and documentation to [housingappeals@stormrecovery.ny.gov](mailto:housingappeals@stormrecovery.ny.gov). Appeal forms can only be obtained from a Customer Representative.

- For more information on the Clarification and Appeals process, refer to “**Clarifications and Appeals**” which is posted on the Program website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

## Demonstrable Hardship

A Demonstrable Hardship is a substantial or unexpected change in the Applicant’s situation, after one of the named storms, that prohibits or severely affects their ability to provide a minimal standard of living or the basic necessities of life including, food, housing, clothing and transportation. Such instances typically include job loss, business failure, divorce, severe medical illness and disability. If an Applicant believes they are in the state of Demonstrable Hardship that causes them not to comply with any program policy, they may present their evidence to their Customer Representative and the Program Committee will evaluate it on a case-by-case basis after review of all the circumstances.

## Closeout

The Closeout Review Process means the applicant’s home repair/reconstruction project is complete and they are **approaching the conclusion** of their participation in the NY Rising Housing Recovery Program.

Program close-out is contingent upon receipt of all required documents, including:

- All required program eligibility documents; and
- All required construction documents.

## Final Inspections

At the end of construction, Applicants must request a final inspection from the Program in order to receive final payment. The purpose of the final inspection is to document that all storm-damaged items identified in the Program’s Estimated Cost of Repair (ECR) have been finished. As of August 15, 2015, optional mitigation activities must be completed at the time of the ECR final inspection. In addition, Applicants who complete optional elevation and/or optional

bulkhead repair/reconstruction must request separate optional final inspections after the work is completed.

- For more information on Final Inspections, including how to schedule one, refer to the fact sheet **“Requesting a Final Inspection”** which is posted on the on the Program website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

### **Closeout Review Process**

All files must go through a two-stage Closeout Review process. During this phase, all required documents, including non-construction documents, must be reviewed for accuracy and completeness, first by the Customer Representative and then by the Program Quality Assurance team. These reviews are comprehensive and can vary in duration, based on the scope and complexity of each case. After both reviews are complete and have passed, the Applicant will be sent a notification and asked to sign closing documents which include:

- Final Grant Agreement; and
- Optional Measures Grant Agreement, if applicable.

### **Receiving Final Payment**

After the Applicant submits their signed closing documents to their Customer Representative, the file receives a final Quality Assurance review before a final payment is released. Every effort is made to have checks available as expeditiously as possible.

- For a more detailed explanation of the Closeout process, refer to the **“Closeout and Final Payment Guidance”** which is posted on the Program website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program>.

### **Recapture**

If the Program determines an Applicant received benefits to which they were not eligible, the Applicant will receive a notification letter explaining why, and the amount of assistance the Applicant is responsible to repay.

### **Other Helpful Program Documents**

For further information and more detailed explanations, the Storm Recovery website: <http://stormrecovery.ny.gov/housing/single-family-homeowner-program> provides forms and fact sheets regarding the Program’s various categories.