



NY Rising Condominium & Cooperative Program

Frequently Asked Questions

October 8, 2015

What areas in a Condo/Co-op are eligible for assistance under the NY Rising Condo/Co-op Program?

Both common elements and individual units that were damaged during Superstorm Sandy, Hurricane Irene, and/or Tropical Storm Lee are eligible for funding under the NY Rising Condo/Co-op Program. However, NY Rising only covers funding to repair items that are essential to the functionality of the building for housing purposes of the Condominium or Cooperative. Certain areas of the property that were damaged will not be eligible to receive funds. These areas include, but are not limited to, pools, pool houses, gymnasiums, and spa/saunas.

Who will receive NY Rising funds and be held responsible for making repairs to the Condo/Co-op Property?

All NY Rising awards will be disbursed in accordance with the bylaws of each Condominium or Cooperative. All NY Rising funds for common elements will be disbursed to the Association/Board. The entity responsible for maintaining flood insurance according to the bylaws will be the recipient of the awards for damaged units. Awards for damaged units may be disbursed in two ways:

1. If the bylaws indicate that the Association/Board is responsible for maintaining flood insurance and for making repairs on the entire property in the event of a disaster, including the units, then all NY Rising funds will be directed to the Association/Board in the form of a common elements award and a unit award.
2. If the bylaws indicate that the individual unit owners are responsible for maintaining flood insurance and for making repairs on their individual units in the event of a disaster, the unit owner will be eligible to receive NY Rising funds for their unit.

Does the Program still require 66% of the unit owners/shareholders to apply to the Program in order for the Association/Board to receive its full award?

No. Only the Association/Board needs to apply to the Program when it is the recipient of both common elements and unit awards. If the Association/Board is receiving funding for damaged units, it will be responsible for collecting required documents from the owners of participating units. The Program may also work with the Association/Board to request specific documents from

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non-damaged unit owners, but a full application will not be required. If an owner of a damaged unit is eligible for direct funding through the Program, they will still be required to complete an application and submit all required documents.

If a damaged unit owner refuses to supply the required documentation or is deemed ineligible for the Program, the Association/Board will not receive funds for that unit; however, that unit's status will have no impact on the Association/Board's common elements award.

Is the application still open for the Condo/Co-op Program?

Yes. Applications for Condo/Co-op owners and shareholders as well as for Associations/Boards can still be submitted to the NY Rising Condo/Co-op Program.

How do I apply for this assistance? What if I already applied under the Homeowner Program?

To apply, please complete the application for individual assistance on the Storm Recovery website www.stormrecovery.ny.gov. If you hold the primary flood and other structural insurance on your property, then you should complete the "CR" application. If you do not meet these criteria, please work with your Association/Board to complete the Association/Board "CA" application, and your unit will be included in the damage estimates for the Association/Board application. If you already completed an application through the Homeowner Program or the Condo/Co-op Program, you do not need to re-apply. A Customer Representative will contact you to request any additional data/documents required for the Condo/Co-op Program.

What if I already applied under the Condo/Co-op Program but don't hold the primary flood insurance on my unit?

If your Association/Board already applied to the Program and is responsible for structural repairs to units, your unit will be included in the Association/Board's damage estimates if your unit was damaged. Your Association/Board may reach out to you for additional required information, but you do not need to apply to or supply any additional documentation directly to NY Rising. If your Association/Board has not yet applied to the Program, please work with them to complete the Association/Board "CA" application, and your damaged unit will be included in the damage estimates for the Association/Board application.

How does the State determine eligibility for Condo/Co-op Owners and Shareholders?

For a unit to receive funding through the NY Rising Program (either through the Association/Board or to the unit owner directly), the unit must have been damaged by at least one of the three named storms (Superstorm Sandy, Hurricane Irene and/or Tropical Storm Lee), and the unit must be the Owner's or Shareholder's primary residence or a full-time, year-round rental



property. As stated above, to be eligible for a direct award, owners/shareholders must be the primary insurance holder on their unit and must be responsible for unit repairs as per their Condominium/Cooperative bylaws; otherwise the award for their unit will be directed to the Association/Board.

What if the Condo/Co-op unit is my second home? Am I eligible?

Second homes are not eligible for any NY Rising Housing Recovery Program. NY Rising disburses Federal Community Development Block Grant – Disaster Recovery (CDBG-DR) funds and must adhere to all Federal restrictions related to the use of CDBG-DR funds. Federal guidelines mandate that second homes are not eligible to receive CDBG-DR assistance.

I was displaced from my unit due to an eligible storm, and I have been paying a temporary rental payment along with my regular mortgage payment each month. Am I eligible to receive funds to assist with my increased monthly housing costs?

Condo unit owners and Co-op shareholders who are eligible participants in the NY Rising Condo/Co-op Program and are paying both temporary housing costs, such as rent, and mortgage payments may be eligible to receive assistance from the Interim Mortgage Assistance (IMA) Program. The assistance amount is the monthly mortgage costs (interest, principal, taxes, and escrow), to a maximum \$3,000 per month, up to 20 months.

How are the awards calculated for individual Condo/Co-op Owners and Shareholders whose units are eligible for funding through their Association/Board?

For properties where the Association/ Board is the primary payee on flood and other property insurance, the awards for the individual units will be issued directly to the Association/Board. The award calculation will be based on the Association/Board’s insurance Proof of Loss statements, which will be used to estimate the cost to repair the property, including individual units. Please note that the Program only provides funds to repair items that are essential to the functionality of the building for housing purposes of the Condominium or Cooperative. Therefore, certain items from the Proof of Loss statements will not be eligible for NY Rising funds, and the Program will adjust the estimated cost of repair to account for those ineligible portions of the damage to the Property. NY Rising will calculate a common elements award and unit award for the property and indicate what portion of the funds are intended to be allocated to each unit and to the common elements damage.

The total award amount will be the damage estimate (as determined by the adjusted Proof of Loss to discount ineligible items) minus the funds available from other sources to repair the Property. The Program refers to these other sources of repair funds as a Duplication of Benefits (DOB).



Typical sources of DOB include insurance payouts, FEMA funds, SBA loans or charitable aid. Any funds received by the Association/Board for a particular unit, or received directly by the unit owner, will be applied as DOB to the damage estimate for that unit.

If an Association/Board does not have detailed Proof of Loss statements, or believes that the insurance estimates do not fully capture eligible damage to the property, they will have an opportunity to file a clarification and have the Program review their damage estimates based on information provided by the Association/Board.

What if the common elements of my Condo/Co-op building were damaged by the storm, but my individual unit did not sustain damage? Will I be required to submit any documentation to the Program?

If your unit was not damaged by one of the eligible storms, you will not need to submit an application to NY Rising. However, your Condo/Co-op may be eligible to receive assistance for damages related to the common elements on the property. The Condo Association or Co-op Board should submit a CA application to NY Rising. Please note that although you will not be required to submit an application, as part of the CA application, your Association/Board may reach out to you to complete a form verifying your income range, which is required for the Program to identify what portion of our funds are allotted to low and moderate income homeowners. NY Rising is required to collect income information from unit owners (whether damaged or not), although there are no Program-imposed income requirements in order for an Applicant to receive assistance from the Co-op/Condo program. The form will have no impact on the eligibility of the Association/Board's application and is used purely for informational purposes. If an Association/Board is determined to be low or moderate income based on unit owners' income levels, they will be eligible for an increase in their maximum benefit "award cap" allowed by the Program.

What if I own a rental unit in a Condo/Co-op property and my individual unit was damaged by the storm(s)?

You are eligible to receive individual assistance through the Condo/Co-op Program if the unit is a year-round rental property. If your Association/Board holds the primary flood and structural insurance on your unit, then your unit will be evaluated for funding under the application submitted to NY Rising by the Association/Board. If you are the primary insurance-holder for your unit, then you are eligible to receive NY Rising funds directly, as long as you meet the other eligibility criteria set forth by NY Rising.



Construction is already complete, but insurance and FEMA didn't cover the entire expense. May I apply for reimbursement?

Yes, NY Rising provides funds to reimburse applicants for expenses already incurred. However, we can only reimburse for work that was started prior to the 1-year anniversary of Superstorm Sandy. You will be asked to provide documentation verifying that the contract for the work was signed before October 29, 2013.

Construction is in progress on my property. Should I stop construction until I hear from NY Rising?

Construction should stop as of the date your application is submitted to NY Rising and should not recommence until the required environmental review is complete. NY Rising cannot provide assistance for any work completed between the date of submission of the application and the date the environmental review is completed.

What is “Davis-Bacon”?

Davis-Bacon requires the payment of prevailing wage rates for federally funded construction contracts in excess of \$2,000. Davis-Bacon applies to the rehabilitation of a residential property if the property contains 8 units or more. Property is defined as one or more buildings on an undivided lot or on contiguous lots or parcels, which are commonly-owned or operated as one rental, cooperative, or condominium.

Are Condos/Co-ops eligible to receive funding for resiliency measures?

Condos and Co-ops are eligible for resiliency measures such as mandatory elevation, bulkhead repairs, and other storm mitigating measures, which help minimize future flood damage to storm-damaged Properties. Elevation to New York State Building Code minimum elevation requirements is required for substantially damaged/improved properties located in the 100-year floodplain. Optional mitigation measures are available for eligible participants whether or not they are within the 100-Year Floodplain. Such mitigation measures include, but are not limited to, the following:

- Elevation of electrical systems and 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; and,
- Installation of roof strapping.