NY Rising Housing Recovery Program

Frequently Asked Questions

Revised January 10, 2014

PROGRAM OVERVIEW

What type of Program is this? Who is running this Program?
This is a State Program administered by New York State Homes and Community Renewal. It is federally funded through the Community Development Block Grant - Disaster Recovery Program (CDBG-DR), which is administered by the US Department of Housing and Urban Development (HUD).

What types of assistance does this Program offer?
This Program offers awards for Repair, Reconstruction, Resilience and/or Reimbursement as well as Interim Mortgage Assistance for residential property damaged as a result of Superstorm Sandy, Hurricane Irene or Tropical Storm Lee. There is also a Buyout program for specific areas, please ask your customer representative for more information on this program.

How do I apply?
In order to apply for the NY Rising Housing Recovery Program, visit www.stormrecovery.ny.gov. While a large part of the assistance will go to those impacted by Superstorm Sandy, the Program will also provide assistance for damage caused by Hurricane Irene and Tropical Storm Lee.

TIMELINE

How long will the whole process take from beginning to end?
New York State is determined to get its homeowners back in their homes as quickly as possible. This process involves three primary steps; Application, Review and Construction. The timing of each step of this process will be different for every Homeowner, depending upon your individual circumstances; there is no set timeline for how long it will take. Your customer representatives are here to assist homeowners through this process as quickly as possible, provide them with updates along the way and answer any questions that may arise.

How long will it take to get the grant money?
The State is committed to addressing any unnecessary delays to ensure the Homeowner receives the assistance they are eligible for as quickly and efficiently as possible. Each situation is unique. Factors include the type of Program, the relief requested, the ability of the homeowner to provide requested information, and others.

Can I get reimbursed for repair or reconstruction already completed to my home?
Property must meet eligibility requirements:

- Real estate rehabilitation and mitigation must meet minimum local building code standards.
- Required Federal environmental review requirements must be met.

REPAIR AND RECONSTRUCTION

Will the program replace my house back to its original state?
The goal of this program is to put you back in a habitable home; the program will not necessarily be building homes back exactly as they were. Every homeowner that participates in the program will have a home that is habitable and meets minimum State building standards. If you choose to repair the home beyond the scope of the program, you will be required to provide proof of funds to cover that expense prior to commencement of work which will be paid to the contractor by the Homeowner at the midpoint of construction, when 50% of the payment is due.

How are repairs and damages to my property estimated?
After a full application has been submitted, the homeowner is contacted to schedule an inspection appointment. Inspectors survey the damaged property, review any repairs that have already been made and summarize this information into an Allowable Activity (AA) estimate or Estimated Cost of Repair (ECR) estimate. The AA provides an estimate for repairs already completed. The ECR provides an estimate for repairs yet to be done. Some homeowners will receive both estimates if some work has been done but there is more to do to complete the recovery. The estimates are used as a guideline for understanding the extent of the property damage that occurred, where the homeowner is in their repair/reconstruction process, and what is necessary within the Program guidelines to assist the homeowner in completing repairs/reconstruction.

My home was substantially damaged, but I really love it and want to repair it, rather than reconstruct. Can I do that?
To ensure that the Program uses federal dollars wisely, the State will provide assistance to repair if it is more cost-effective to do so than reconstructing. For a substantially damaged home, it may not be cost-effective for the State to repair it compared to reconstructing. Cost-effectiveness will be assessed based on a standardized methodology. Ultimately, the choice will be yours to make, but the State's program will limit assistance available to the lesser cost of repair versus reconstruction.

How will the Program determine if my home was significantly damaged?
Substantial damage is determined by the following:

1) Receipt of a substantial damage letter from their Flood Plain Administrator, or

2) Inclusion in the FEMA and/or the municipality data set indicating the home was substantially damaged, or

3) A total damage amount (the sum of the AA and the ECR not including bulkheads or elevation but including AE fees) of greater than 50% of the pre-storm value or

4) Reconstruction estimates using the $160 per square foot pricing model, or

For those who do not fit in one of the categories above, the Homeowner can provide additional documentation such as tax records or an appraisal and the Program can review and approve on a case by case basis.

If I live in the 100 Year Floodplain AND my home was substantially damaged, am I required to elevate?
Yes. This program will assist in covering the costs for effective mitigation assistance of damaged properties to elevate homes. Homeowners will be required to elevate their homes if the home was substantially damaged (a property sustains damages that equal or exceed 50 percent of its Fair Market Value prior to the event, as determined by the municipal flood plain manager) **AND** is located in the 100-year floodplain. They are eligible for elevation funding and an increase in their maximum benefit cap. Homeowners in the 100 year flood plain who are **NOT** substantially damaged are eligible for elevation funding but will not receive an increase in their maximum benefit cap. Homeowners outside the 100 year flood plain are not eligible for elevation funding

I was building an addition to my home before the storm and it was unfinished when the storm hit. The work completed so far was damaged by the storm; will the Program pay to finish the addition?
If leaving the addition unfinished makes the home fail to meet the minimum building standards it will be included in the scope of work. The inspector will assess the need and use of the addition and make a final determination. The Homeowner may be requested by the contractor to put additional funds in escrow to cover the cost of the addition.

Does the Program take into account damage caused by Earth Movement?
Yes. Earth movement damage, as it relates to the named storms is eligible for CDBG-DR funding under HUD rules. The amount of funding available to homeowners with earth movement damage is limited by Program caps, similar to any other homeowner in the Program.

REIMBURSEMENTS

I've already completed all repairs on my house. Will the program reimburse me for it?
Yes, the Program may reimburse you for these costs if the repairs completed meet the reimbursement guidelines of the Program.

The storm damaged home was demolished and replaced with a manufactured home. Is this activity eligible for reimbursement? Will the program pay for elevation?
Yes, as long as the reimbursement and elevation are not otherwise disqualified, the Program may reimburse. If the home was substantially damaged AND is located within the 100 year floodplain or homes where the total damage amount (the sum of the AA and the ECR not including bulkheads or elevation but including A/E fees) are greater than the pre-storm value, could be eligible for an elevation award cap increase.

COVERAGE OF SPECIFIC ITEMS

Are there items not covered?
A list of luxury items which are not eligible for Program funding can be found on the website www.stormrecovery.ny.gov.

Will appliances be covered?
Non-luxury appliances essential for the operation and habitability of your home will be covered. These include, for example, refrigerators, stoves/ovens and other similar appliances. Washers and dryers will not be eligible under this program.

Are items such as toilets and vanities covered?
Yes, non-luxury items that become a permanent fixture in the home are allowable.

Are lawns covered?
No, landscaping is not covered under the Program. Only items for the repair or reconstruction of the real property are covered.

Is carpeting covered?
Yes, non-luxury items that become a permanent fixture in the home are allowable. See website for list of luxury items not covered by CDBG-DR funding.

Will storage costs I have incurred since the storm be covered?
Storage costs are not eligible

Are cars covered?
No, cars are not covered under the program. Only items for the repair or reconstruction of the home are covered.

If a disabled child lives at home and needs special accommodations, are these covered by the program?
Yes, if the home previously had an accessibility feature that was damaged or destroyed by Sandy, Irene, or Lee and continues to have that need, the State will cover the cost of restoring the accessibility feature within the maximum Program benefit. Accessibility improvements may also be completed on the property even if the property was not accessible prior to the disaster. This includes new and/or increased accessibility needs as a result of home elevation.

Will my deck be covered?
Real estate rehabilitation and mitigation must meet minimum State building standards and the required Federal environmental review requirements. An inspector will determine if the deck or porch need to be repaired or replaced to meet these requirements.

Is my basement covered under the program?
Properties with basements will be repaired to the extent necessary to make them safe and sanitary. If the basement was used as a bedroom for a family member, then it can be repaired for living space as necessary to meet minimum design standards.

Is my bulkhead covered?
If the Homeowner has repair needs to the home in addition to the bulkhead the bulkhead may be covered.

Is my seawall covered?
No, seawalls are not covered

INTAKE MEETING

Can anyone come with me to the intake meeting, such as a family member or my lawyer?
Yes, you may allow anyone to accompany you to the meeting if you are comfortable sharing personal information with them. Unless otherwise authorized, however, you will be required to attend all meetings; you may not send a family member or lawyer to attend on your behalf.

Why do I have to show you my taxes?
One of the primary goals of the funding for this Program is to serve low- to moderate-income populations. We gather income information so that we can report to HUD the amount of funding that is being used to assist this population.

What is the "Subrogation Agreement"?
In signing the Subrogation Agreement the Homeowner is giving the Program a superior interest to all future benefits up to the award amount meant to aid in disaster recovery from Sandy, Irene, and Lee that would be classified as a duplication of benefit. The Homeowner must notify the Program of any benefits received.

Why, by signing the Subrogation Agreement, do I have to report any additional disaster funding after my home is repaired?
This Program is designed as a source of aid of last resort, so any future aid that you receive may be required to reimburse the Program for funds that are already expended.

Can I bring the forms home and consult my (spouse, lawyer, so on) before signing them?
Yes. While your Customer Representative will strive to answer all questions you have about the forms during the intake meeting, you are free to take as much time as you need to sign them. You should be aware; however, that your application cannot continue to be processed until you submit your signed forms, so this may delay your processing. Once you have signed the forms, you can drop them off at your Customer Representative's office, and your Customer Representative will update your file for continued processing.

Can I take the forms home to and have my co-applicant sign them?
Yes, although we will need to meet with that person at a later appointment. If the other property owners are not able to come to the office at any time they will need to have their signature notarized.

Can I mail, fax, or email the forms back to you?
You can mail, but not fax or email forms since we need the original copies for our records. Our preferred approach is that you drop off the forms in person. All intake forms should be signed in blue ink.

What if co-applicant signs the documents at home – do we require them to come in to show ID?
Yes, the homeowner(s) need to come to the office to provide copies of all ID's. The homeowner(s) must sign all Program documents prior to submitting the file to the Verification of Benefits Team.

If the husband is the only person listed on the deed, does the wife need to sign the forms?
Real property ownership can be separate despite being married in the State of New York. One name on a deed indicates the intent to have that property be separate. It is possible the property could be transferred via equitable distribution at a future date. In that case the other spouse's signature could be helpful but not necessary. You may want to ask for the spouse's signature but not require it.

If the husband and wife are in the process of divorce and both are listed on the deed how should we proceed with the Intake meeting?
Both signatures are required on all documents, and the house has to be the primary residence of at least one of the owners.

Does a co-owner have to sign the application?
No, the application needs to be signed by the applicant only. All other documents must be signed by all owner(s).

My 2012 Federal Taxes are not signed
If your taxes were filed electronically then we may have the authorization for the electronic signature, which may serve as documentation that the taxes were filed with the IRS. We may also request a transcript from the IRS by completing the 4506-T EZ form.

What do we need to document if a Homeowner is deceased?
We need some verification that the Homeowner that is applying for the Program is the full owner of the property. Documentation transferring ownership either from the deceased owner prior to death or from the deceased owner's estate is needed. A death certificate alone will not document this transfer.

Rezoning has caused documents to show conflicting towns for the same address.
Review all documents available with your Customer Representative. If it is clear that the property is part of rezoning issues this should be documented in the communications log and the Homeowner should contact the proper local office to resolve this matter.

What if I am at risk of becoming bankrupt?
If you are at risk of becoming bankrupt, you should consult a legal professional before agreeing to participate in this program.

INSPECTIONS

Why do I need an inspection?
The purpose of this inspection is to determine the required repairs to the property and to generate an Estimated Cost of Repair (ECR) and Allowable Activities (AA) already completed on your home. This ECR and AA will be used in determining the assistance available to you through this Program.

I've already had inspectors from FEMA and from my homeowner's insurance company, do I have to have more inspections?
Yes, inspections are required in order to make sure we have the most accurate, up to date information.

How many times will my house have to be inspected?
Approximately three to five times; it depends on the level of work done already, work to be completed and environmental inspections. Typically there will be an initial inspection, an environmental inspection (with follow up as required), periodic green building standard inspections and a final inspection.

Do I have to pay for the inspections that are required for this Program, or any remediation needed as a result of the inspection?
No, you will not be required to pay for the required inspections and any remediation needed as a result of the inspections will be an eligible cost of the program. Homeowners are only required to pay for costs above the maximum Program benefit. If Reimbursement only, you may elect to fund remediation and be reimbursed.

If I'm only requesting reimbursement, does my home have to be inspected?
Yes, the Program will verify the work done previously passes all Program inspections and environmental clearances.

Who can I contact regarding my inspection?
NY Rising Construction Management Team's Hotline at **(516) 830-3560** is available to assist with any construction related questions, seven days a week, 7AM to 7PM. Additionally, you may always contact your Customer Representative directly.

Who is the Construction Management Team?
The Construction Management Team, coordinated by the Dormitory Authority of the State of New York, is made up of multiple firms, including The LiRo Group, URS Corporation and McKissack, who have been retained by the Program to conduct these on-site damage inspections.

When are appointment hours?
Appointments will be scheduled between 7AM and 7PM.

How long will the inspection last?
The appointment will last approximately 2-3 hours.

Do I need to be there?
At least one of the applicants will need to be available and on site during the inspection.

How do I know the person really is an inspector?
The Inspection Team will be carrying NY Rising identification.

What if I have no power in my home?
If there is no power in the home the assessment must occur during daylight hours.

What is the "Right-of-Entry Permit and Release" agreement?
This is an agreement that states you are allowing the Inspector access to your home. Without this form an inspector cannot conduct a proper inspection.

AWARDS

Do I get money directly?
If you have already completed some or all repairs to your home, you may be eligible for reimbursement funds for work completed in your home, which would be paid directly to you.

If you have not yet begun the repair or reconstruction process, you may be eligible for assistance to repair or reconstruct. In these situations, the State will make payments directly to design professionals and contractors in several installments.

How much money can I get?
The amount of assistance is determined by project eligible cost completed by a program inspector minus and Duplication of Benefits that you have received. Your project eligible cost cannot exceed the Program cap.

What do "duplication of benefits" and "verification of benefits" mean?
According to the Stafford Act, the federal government cannot pay for repairs that were already paid for by a different source, this is a duplication of benefits. Verification of benefits is the process used to verify the sources of aid provided in response to Hurricane Sandy, Hurricane Irene and Tropical Storm Lee.

If I was offered an SBA loan but declined it, does this affect my award?
If the Homeowner applied for and was offered an SBA loan but declined all or part of the loan, the amount of the loan declined may be considered a duplication of benefits. The Homeowner must document the reason they declined the loan, and on a case by case basis, a determination will be made. Please fill out "Applicant's SBA Loan History Form" and forward it to your Customer Representative together with supporting documentation to address this issue.

If I was offered assistance from a non-profit, does this affect my award?
The amount of assistance received from any other source for the rehabilitation of the home may count as a duplication of benefit. We require that you provide your Customer Representative with all documentation stating what the assistance was used for and who gave it to you so we can better determine how it will affect your award.

What is ICC?
If your home or business is damaged by a flood, you may be required to meet certain building requirements in your community to reduce future flood damage before you repair or reconstruct. To help you cover the costs of meeting those requirements, the National Flood Insurance Program (NFIP) includes Increased Cost of Compliance (ICC) coverage for all new and renewed Standard Flood Insurance Policies. There are four options to take to comply with the community's floodplain management ordinance and help reduce future flood damage: Elevation, Relocation, Demolition, and Flood proofing.

Is ICC a Duplication of Benefits?
Duplication is most likely to occur when dealing with ICC payments for the elevation of substantially damaged properties. ICC is a potential source of DOB when a property owner is eligible for ICC benefits but fails to file a claim. Property owners should file ICC claims for which they are eligible.

How do I prove zero income?
The Program requires a signed 2012 Federal Tax Return. If you have no income there is a certification form you can sign stating as such.

Will I have to pay taxes on the assistance received?
You must contact a tax professional for more information.

CONTRACTORS

Who will do the repair or reconstruction of my home? Will the State provide me with a list of contractors?
All contractors must meet the State's eligibility requirements in order to be compensated for work conducted on behalf of participating Homeowners.

Homeowners will select their own contractor. A list of contractors who meet program requirements will be posted online at the following link (http://www.recreate-rebuild.org/) for homeowners and Customer Representatives to access. The selected contractor and all related sub-contractors must be willing to agree to the State's minimum property standards which will be posted online and other eligibility requirements. A list of contractors who meet program requirements will be posted on this website.

What if I have secured a contractor who has begun work on my home and is not on the list?
Contractors must meet Program criteria and submit their Scope of Work to the State in order to receive payment from grants awarded by the Program to the homeowner.

ELIGIBILITY

I live in New York City. Am I eligible?
New York City received its own funding from the federal government to support its affected residents. If you reside in Brooklyn, Bronx, Manhattan, Queens, or Staten Island you should contact City officials directly for assistance.

How do I know if I live in the 100-year or 500-year flood plain?
You can review flood plain maps at www.floodsmart.gov. Your Customer Representative will also work with you to confirm this information.

Are second homes or vacation homes eligible?
No, by the terms of Federal law, second homes, as defined in IRS Publication 936 (mortgage interest deductions), are not eligible for Program rehabilitation assistance, residential incentives, or buyouts.

My home is a condo, is it eligible?
Yes, condos and coops are both eligible for assistance, both to individual unit owners and to the associations or common ownership entities of these property types.

I inherited the property from my mother who had applied to the Program before her death. She was in the process of transferring the deed before her death. Am I eligible for this Program?
Yes, you may be eligible for this program, as long as you are willing to abide by the Program requirements.

Does forbearance make the applicant ineligible?
Forbearance is a special arrangement between the lender and borrower to delay or reduce payments. Forbearance does not make the applicant ineligible.

The bank holding the Homeowner's second mortgage is foreclosing, is the Homeowner still eligible for the program?
Yes.

Two homes are located on one property with common ownership. Are both properties eligible?
The Customer Representative should review the deed with the Team Leader to see if the damaged property is included on the deed. In general, the NY Rising Housing Recovery Program is for the primary residence.

Are any restrictions placed on my property if I take the money?
No, but you must agree to all of the Program requirements and sign all of the necessary documents in order to accept any Program funds.

REGARDING DECEASED INDIVIDUALS ON A DEED

What documentation do I need to provide in order to remove my deceased brother from the check?

It depends on the type of ownership shown in the deed itself. If you and your brother were joint tenants with the right of survivorship, then all you need is a death certificate for your deceased brother. We can issue a new check or if you provide an ACH transfer form we can deposit the money directly to your account. If you and your brother owned the property as tenants in common you must consult with an attorney who will determine the steps required to transfer your brother's interest to his heirs at law or to the person or persons named in his will. It is likely that a new deed will be required after this determination and may involve probate or administration depending upon whether your brother had a will or not.

My spouse passed away and is still listed on the deed. Do I have to return my check to have a new one issued?

Just as above, this depends on the type of ownership on the deed. If you and your spouse owned the property as joint tenants or as "tenants by the entirety" which is evidenced by the words, "his wife" , "her husband" , "husband and wife": "ux" or other words of the same import, we can issue a check to you alone upon presentation of the death certificate or arrange for an ACH transfer. If you owned it as tenants in common you must consult with an attorney to determine whether probate or administration is required and it is likely that a new deed will be required.

Both my parents passed away and are on the deed; do I have to return my check to have a new one issued?

You must return the check and consult with an attorney. Just because your parents owned the property does not mean that you do. It depends upon whether or not a will existed that must be probated or an administration proceeding in Surrogate Court may be required. The law determines the passing of real

estate when there is no will and transfer to a subsequent owner requires legal representation. Once the determination is made, a check or ACH transfer can be issued.

There is a probate order in place, but I resided in the home at the time of the storm. Am I able to cash the check if I am on the deed as will?

Again it depends on the ownership. If you were a joint tenant with your parents, present the check and the death certificates and payment by check or an ACH transfer will be arranged. If not, this is an estate issue and the check will be reissued to you and the executor or administrator of the estates in accordance with the probate procedure. If the probate order indicates that the property is yours in its entirety, the attorney for the estate will issue a new deed in accordance with the order and the transfer will be complete and the payment will occur.

INTERIM MORTGAGE ASSISTANCE

What does IMA stand for and what is its purpose?

The Interim Mortgage Assistance Program (IMA) will provide mortgage assistance of up to $60,000 to Homeowners who, because of Superstorm Sandy, Hurricane Irene or Tropical Storm Lee, are displaced from their primary residences and are paying for interim housing. The assistance is only available to those who are receiving funds for repair, rehabilitation, or reconstruction activities and can be paid retroactively for up to six months.

OTHER

What environmental standards will be used in the reconstruction and rehabilitation of affected homes and land?

As required by Federal law, an environmental review and approval will be required for all activities paid for through the CDBG-DR Grant Program, including repair, rehabilitation, and reconstruction activities. Environmental reviews will be conducted by the State and/or local grant administrator and will come at no cost to homeowners. Grant applicants must consult with a Customer Representative before beginning any work on their property because work conducted prior to the completion of an environmental review may preclude eligibility for CDBG-DR funding.

What is the definition of the 100-year and 500-year flood plain?

A 100-year flood plain has a 1% chance of having a flood occur in a given year. In other words, for every 100 years it is probable that it will flood in that area at least once. A 500-year flood plain has a 0.2% chance of flooding in a given year. So, for every 500 years it is probable that it will flood in that area at least once.

If my property is not located in a floodplain am I required to maintain flood insurance?

No, if the property is not in a 100 year floodplain, flood insurance is not required.

How long am I required to maintain flood insurance on my property?
If the property is in a floodplain and will be receiving money from the NY Rising Housing Recovery Program then flood insurance coverage must be secured and maintained at the homeowner's expense for the life of the property. It is the homeowner's responsibility, in case of a sale, or change in ownership, to notify future homeowners of this requirement in writing. If you fail to notify a future buyer of the federal requirement that flood insurance is maintained on the property and flood insurance is not maintained on the property you could potentially be liable for damages that would have been covered had the property been covered by flood insurance.

PRIVACY

How can I be sure you won't share my personal information?
The Consent and Release form allows the Program to disclose and request non-public personal information with 3rd parties involved in the Program. Information will not otherwise be released to non-participating agencies or entities. All information provided by an applicant will be held secure and confidential according to written policy.