
City of New York

Community Development Block Grant – Disaster Recovery (CDBG-DR)

Proposed Amendments to Action Plan

Action Plan Amendment 5A

On December 27, 2013, the City released a proposed Amendment 5 for public comment. Following the public comment period, the City submitted its updated Action Plan to HUD for approval on March 21, 2014. The City has requested expedited approval of changes to the Temporary Disaster Assistance Program (TDAP). The changes indicated below will now be known as Action Plan Amendment 5A.

Original Text – Action Plan Incorporating Amendments 1-4

Approved by HUD on November 25, 2013

Temporary Disaster Assistance Program (TDAP)

Please note that this activity was originally reflected under the NYC Houses Rehabilitation and Reconstruction program in the draft CDBG-DR Action Plan A. However, the City received a significant number of public comments questioning whether applicants must be participating in the NYC Houses Rehabilitation and Reconstruction program in order to be eligible for assistance, which is not the case. In order to clarify this, the City has broken out this activity, as already described, as a separate program.

PROGRAM OBJECTIVE AND DESCRIPTION: The City will use CDBG-DR funds to create a rental subsidy program, Temporary Disaster Assistance Program (TDAP), to serve households displaced by Hurricane Sandy for up to 24 months. The City will assist households in finding apartments in the existing affordable housing portfolio, or participants may identify their own apartment. Clients will sign leases directly with the property owners, and will be responsible for paying up to 30% of income in rent. The City will use CDBG-DR to cover the gap between the contract rent and tenant share. To the extent practical, the program will be modeled to follow the regulations and procedures of Section 8 (units must pass Housing Quality Standards, etc.). The NYC Department of Housing Preservation and Development (HPD), which will oversee the program, successfully created a rental subsidy program from HOME funding to meet emergency rental assistance needs in the past, which was also based on the Section 8 model. All applicants must provide a pre-storm address and an explanation as to why they cannot return to their pre-storm residence.

The City recognizes that a CDBG-DR rental subsidy is only a bridge to permanent housing. During the two year subsidy period, the City will work with families to ensure they remain stably housed. The City anticipates some flow of Public Housing and potentially Section 8 units available. The City will transition participants to any vacancies that open during the 24 month period on a flow basis (i.e. households need not have exhausted their two years of rental assistance to qualify for a vacancy). HPD will also outreach to owners and managers of various properties with project-based subsidies that will have vacancies over time, to create another pipeline of permanent housing options.

Finally, the City will seek ways to boost household income, so that participants are better able to afford suitable housing after program expiration. For example, the City will attempt to link households to

income support payments for which they are eligible, but not currently enrolled. Outreach to participants will be ongoing during the two year subsidy period to try to avoid emergency situations at the end of the subsidy window. Households may also be linked to financial counseling.

In order to implement this rent subsidy program, the City asked HUD to waive the rule that limits income support payments to 90 days.

ELIGIBILITY CRITERIA: Eligibility for the Rental Assistance program will be limited to displaced households at or below 50% of Area Median Income.

PROGRAM PRIORITIES: To prevent homelessness among low-income households that were displaced by Hurricane Sandy and face significant barriers to relocation. Priority will be given to households that meet at least one of the following criteria:

1. Households residing in transitional housing placements (hotels, shelters) due to the storm;
2. Households with non-conventional pre-storm housing (e.g. illegal units, doubled-up, rooming houses, etc.);
3. Households with expiring FEMA rental assistance; and/or
4. Households that registered through the HPD Housing Portal and were not offered placements.

GRANT/LOAN SIZE LIMIT: Households may lease apartments with rents up to 110% of New York City Fair Market Rent. Subsidies will last up to two years, and may include first and last months' rent. Actual subsidy per household will vary by household income and size, rent, and duration of subsidy.

HUD ELIGIBILITY CATEGORY: Public Services

NATIONAL OBJECTIVE: Low- and Moderate-Income Housing

CDBG-DR ALLOCATION: \$19,000,000; the City anticipates adding additional funding when the Action Plan is amended.

PROJECTED ACCOMPLISHMENTS: 600 households

PERFORMANCE SCHEDULE: Rent subsidies will be limited to 24 months.

OTHER FUNDING SOURCES: Although CDBG-DR funded rental assistance may bridge to other rental subsidies, tenants may not receive more than one rental subsidy simultaneously.

Proposed Text – Action Plan Amendment 5

Released for public comment on December 27, 2013

Temporary Disaster Assistance Program (TDAP)

Please note that this activity was originally reflected under the NYC Houses Rehabilitation and Reconstruction program in the draft CDBG-DR Action Plan A. However, the City received a significant number of public comments questioning whether applicants must be participating in the NYC Houses Rehabilitation and Reconstruction program in order to be eligible for assistance, which is not the case. In order to clarify this, the City has broken out this activity, as already described, as a separate program.

PROGRAM OBJECTIVE AND DESCRIPTION: The City will use CDBG-DR funds to create a rental subsidy program, Temporary Disaster Assistance Program (TDAP), to serve households displaced by Hurricane Sandy for up to 24 months. The City will assist households in finding apartments in the existing affordable housing portfolio, or participants may identify their own apartment. Clients will sign leases directly with the property owners, and will be responsible for paying up to 30% of income in rent. The City will use CDBG-DR to cover the gap between the contract rent and tenant share. To the extent practical, the program will be modeled to follow the regulations and procedures of Section 8 (units must pass Housing Quality Standards, etc.). The NYC Department of Housing Preservation and Development (HPD), which will oversee the program, successfully created a rental subsidy program from HOME funding to meet emergency rental assistance needs in the past, which was also based on the Section 8 model. All applicants must provide a pre-storm address and an explanation as to why they cannot return to their pre-storm residence.

The City recognizes that a CDBG-DR rental subsidy is only a bridge to permanent housing. During the two year subsidy period, the City will work with families to ensure they remain stably housed. The City anticipates some flow of Public Housing and potentially Section 8 units available. The City will transition participants to any vacancies that open during the 24 month period on a flow basis (i.e. households need not have exhausted their two years of rental assistance to qualify for a vacancy). HPD will also outreach to owners and managers of various properties with project-based subsidies that will have vacancies over time, to create another pipeline of permanent housing options.

Finally, the City will seek ways to boost household income, so that participants are better able to afford suitable housing after program expiration. For example, the City will attempt to link households to income support payments for which they are eligible, but not currently enrolled. Outreach to participants will be ongoing during the two year subsidy period to try to avoid emergency situations at the end of the subsidy window. Households may also be linked to financial counseling.

In order to implement this rent subsidy program, the City asked HUD to waive the rule that limits income support payments to 90 days.

ELIGIBILITY CRITERIA: Eligibility for the Rental Assistance program will initially be limited to displaced households at or below 50% of Area Median Income. After this priority group has been served, HPD will open eligibility to include households at or below 50% of AMI which relocated following Sandy but which have leases expiring within 4 months of applying to the program, or which now pay more than 40% of income in rent.

PROGRAM PRIORITIES: To prevent homelessness among low-income households that were displaced by Hurricane Sandy and face significant barriers to relocation. After the initial launch of the program, priority was be given to households that meet at least one of the following criteria:

1. Households residing in transitional housing placements (hotels, shelters) due to the storm;
2. Households with expiring FEMA rental assistance; and/or

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3. Households that registered through the HPD Housing Portal and were not offered placements.

GRANT/LOAN SIZE LIMIT: Households may lease apartments with rents up to 110% of New York City Fair Market Rent. Subsidies will last up to two years. [text removed] Actual subsidy per household will vary by household income and size, rent, and duration of subsidy.

HUD ELIGIBILITY CATEGORY: Public Services

NATIONAL OBJECTIVE: Low- and Moderate-Income Housing

CDBG-DR ALLOCATION: \$19,000,000 [text removed]

PROJECTED ACCOMPLISHMENTS: 600 households

PERFORMANCE SCHEDULE: Rent subsidies will be limited to 24 months.

OTHER FUNDING SOURCES: Although CDBG-DR funded rental assistance may bridge to other rental subsidies, tenants may not receive more than one rental subsidy simultaneously.

Proposed Text – Action Plan Amendment 5A

Submitted for HUD Approval on March 21, 2014

Temporary Disaster Assistance Program (TDAP)

Please note that this activity was originally reflected under the NYC Houses Rehabilitation and Reconstruction program in the draft CDBG-DR Action Plan A. However, the City received a significant number of public comments questioning whether applicants must be participating in the NYC Houses Rehabilitation and Reconstruction program in order to be eligible for assistance, which is not the case. In order to clarify this, the City has broken out this activity, as already described, as a separate program.

PROGRAM OBJECTIVE AND DESCRIPTION: The City will use CDBG-DR funds to create a rental subsidy program, Temporary Disaster Assistance Program (TDAP), to serve households displaced by Hurricane Sandy for up to 24 months. The City will assist households in finding apartments in the existing affordable housing portfolio, or participants may identify their own apartment. Clients will sign leases directly with the property owners, and will be responsible for paying up to 30% of income in rent. The City will use CDBG-DR to cover the gap between the contract rent and tenant share. To the extent practical, the program will be modeled to follow the regulations and procedures of Section 8 (units must pass Housing Quality Standards, etc.). The NYC Department of Housing Preservation and Development (HPD), which will oversee the program, successfully created a rental subsidy program from HOME funding to meet emergency rental assistance needs in the past, which was also based on the Section 8 model. All applicants must provide a pre-storm address and an explanation as to why they cannot return to their pre-storm residence.

The City recognizes that a CDBG-DR rental subsidy is only a bridge to permanent housing. During the two year subsidy period, the City will work with families to ensure they remain stably housed. The City anticipates some flow of Public Housing and potentially Section 8 units available. The City will transition participants to any vacancies that open during the 24 month period on a flow basis (i.e. households need not have exhausted their two years of rental assistance to qualify for a vacancy). HPD will also outreach to owners and managers of various properties with project-based subsidies that will have vacancies over time, to create another pipeline of permanent housing options.

Finally, the City will seek ways to boost household income, so that participants are better able to afford suitable housing after program expiration. For example, the City will attempt to link households to income support payments for which they are eligible, but not currently enrolled. Outreach to participants will be ongoing during the two year subsidy period to try to avoid emergency situations at the end of the subsidy window. Households may also be linked to financial counseling. Initial outreach is proactively made to applicants during workshops and briefings. HPD will use a case manager to work with eligible TDAP participants to assist in the transition to more sustainable housing. This case manager will perform a needs assessment and coordinate counseling and case management sessions and/or referrals for other than housing needs.

In order to implement this rent subsidy program, the City asked HUD to waive the rule that limits income support payments to 90 days.

ELIGIBILITY CRITERIA: Eligibility for the Rental Assistance program will initially be limited to displaced households at or below 50% of Area Median Income. After the initial launch of this program, HPD will open eligibility to include households at or below 50% of AMI which relocated following Sandy and which now pay more than 40% of income in rent.

The TDAP program is currently unable to serve households with undocumented members. Eligibility for the CDBG-DR housing programs is determined by HUD. In accordance with HUD guidance, only “qualified aliens,” as defined in Section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), are eligible to receive non-exempted Federal public benefits.

The City is currently exploring alternative options through private dollars to support individuals and families who do not qualify for the housing assistance programs.

PROGRAM PRIORITIES: To prevent homelessness among low-income households that were displaced by Hurricane Sandy and face significant barriers to relocation. After the initial launch of the program, priority was given to households that meet at least one of the following criteria:

1. Households residing in transitional housing placements (hotels, shelters) due to the storm;
2. Households with expiring FEMA rental assistance; and/or
3. Households were registered through the HPD Housing Portal and were not offered placements.
4. Households that had relocated as a result of Sandy but are unable to afford their current housing due to a high rent burden.

GRANT/LOAN SIZE LIMIT: Households may lease apartments with rents up to 110% of New York City Fair Market Rent. Subsidies will last up to two years. Actual subsidy per household will vary by household income and size, rent, and duration of subsidy.

HUD ELIGIBILITY CATEGORY: Public Services

NATIONAL OBJECTIVE: Low- and Moderate-Income Housing

CDBG-DR ALLOCATION: \$19,000,000

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