



New York City Build It Back Single-Family Acquisition, Buyout, Cooperative Relocation and Resettlement Incentives Policy Manual

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1 Overview

1.1 Summary and Rationale

The City of New York's Build It Back Program has developed multiple options that allow for the purchase of properties that were damaged by Hurricane Sandy and the resettlement of individuals that occupied Sandy-damaged properties. The overarching goals of each of the options that are outlined in this Policy Manual is to:

- purchase Sandy-impacted properties or structures from owners so that those properties may be redeveloped in a more resilient manner.
- purchase Sandy-impacted properties from owners so that the City may restrict redevelopment of those properties with the goal of decreasing the risk of future loss due to flooding,
- provide assistance to impacted owner-occupants to allow those owners to purchase a replacement primary residence.

1.2 Scope

This Policy Manual is used in conjunction with the New York City Build It Back Single-Family Policy Manual. The Single-Family Policy Manual establishes the overall procedures for applicants that have applied for assistance to Build It Back for a property that contains between one and four (1-4) residential housing units. This Manual establishes the specific procedures for evaluating applicants who wish to receive Acquisition, Buyout, Cooperative Relocation and Resettlement assistance from Build It Back. This Manual applies to all employees, consultants and contractors.

The contents of this Manual reflect the Program's procedures at the time of its issuance and may not reflect the procedures or guidance in place at the time that decisions were made regarding the processing of individual applications. Accordingly, the policies contained within this Manual may be supplemented or modified to address changes to rules, regulations or the changing unmet recovery needs of the applicant population. From time to time, the Program will issue policy revisions, bulletins, memoranda, design guidance or other written instructions which may modify the contents of this Manual. In the event of a conflict with this Manual, such guidance may serve to revise or modify the contents of this Manual.

The purpose of the use of mandatory language in this Manual and other such guidance is to establish baseline protocols for implementing the requirements of the laws that govern the Program. Notwithstanding such language, the Program's Director and/or the Director's designees retain final discretion to issue case-specific determinations regarding whether and how the policies in this Manual and elsewhere should be implemented in order to further the mandates of New York City's CDBG-DR Action Plan and all other applicable laws. Any such determinations deviating from the procedures established in this Manual or in other guidance must be made in writing and preserved in the Program's content management system ("CMS") of record.

1.3 Overall Eligibility Criteria

Applicants who wish to participate in one of the options outlined herein must meet certain overall Build It Back eligibility criteria together with eligibility criteria specific to Acquisition, Buyout, Cooperative Relocation and Resettlement Incentive activities.

1.4 Criteria That Do Not Impact Eligibility

1.4.1 National Flood Insurance Program (“NFIP”) Coverage (If Required)

Applicants that received federal flood disaster assistance for Hurricane Irene and did not carry a required policy of flood insurance are only eligible for Acquisition, Buyout, Cooperative Relocation and Resettlement Incentive assistance. Build it Back refers to these applicants as “NCOMP” and they are not eligible to receive reimbursement, repair, elevation or rebuild assistance.

1.4.2 Property Insurability

Applicants who own homes that are located in a Special Flood Hazard Area (“SFHA”) that are built over a waterway and are not insurable or which cannot feasibly be reconstructed in a compliant manner may be eligible for Acquisition, Buyout, Cooperative Relocation and Resettlement Incentive assistance but are not eligible for assistance under other programs run by Build It Back.

1.5 Specific Eligibility Criteria

Each of the options outlined herein have specific eligibility criteria that may impact the type of assistance that an applicant is eligible to receive. The Program reviews each case after an applicant indicates interest in pursuing a sale of their property before determining which option the applicant may be eligible to receive. Applications are then routed according to the outcome of this review for further analysis to determine Program eligibility.

Each applicant will follow a three-step path to determine which Program option best suits the end use of the property.

- Step 1: The property must first be identified as a potential candidate for Acquisition, Buyout or Cooperative Relocation assistance.
- Step 2: The Program must determine that the applicant and the property meet all applicable eligibility criteria.
- Step 3: For properties that will be purchased, the Program must determine the most appropriate end-use for the property.

1.6 Temporary Relocation and Temporary Housing Assistance

The Program does not provide Temporary Relocation Assistance (“TRA”) or Temporary Housing Services (“THS”) to applicants in conjunction with the Acquisition of a home. In some cases, however, an applicant may be receiving TRA or THS from Build it Back at the time their construction application is converted to an Acquisition, Buyout or Cooperative Relocation application. In such cases, the Program may continue to provide TRA or THS assistance until the earlier of the applicant’s closing or three (3) months, subject to extensions for Program delays in completing the closing. The Program will not require the repayment of any TRA or THS provided after the application’s pathway change.

The Program does not consider TRA or THS assistance to be duplicative of any assistance outlined in this Policy Manual since such assistance is provided for a different purpose. Additionally, since TRA and THS are provided on either a reimbursement basis or in the form of direct placement, such funds have already been expended by either the applicant or by the

Program directly and cannot be considered “unspent” disaster recovery benefits that would otherwise reduce any property purchase, relocation or resettlement payment amounts.

1.7 Uniform Relocation Act

The Uniform Relocation Act (“URA”) provides protection to tenants that are involuntarily removed from their dwellings, either permanently or temporarily, as a result of participation in a federal program. URA protections will not apply to homeowners participating in the Program, as homeowner participation is voluntary. Tenants, however, may be eligible to receive URA assistance if the Program purchases a property that contains one or more tenant-occupied units. The Program’s policies and procedures governing the URA are contained in a separate manual.

1.8 Environmental Review

The Program must complete the appropriate environmental review prior to providing Acquisition, Buyout and Cooperative Relocation assistance. Please refer to the Build It Back Single-Family Policy Manual for information regarding the Program’s environmental review requirements.

2 New York State Acquisition for Redevelopment

New York State, in coordination with the City, offers an Acquisition for Redevelopment (“AFR”) option to certain Build It Back applicants. For these applicants, the State will fund the Acquisition and will perform additional eligibility determinations, verifications, environmental reviews, duplication of benefits analyses and/or reviews for compliance with URA, including sending notices and benefits to renters permanently displaced by the Acquisition, as necessary.

Participation in the State’s AFR program will be subject to the State’s eligibility policies and rules. If the State determines that an applicant’s property is ineligible for AFR or if the homeowner decides against participating in the AFR program, the homeowner’s case will be referred back to the City’s Program for consideration of other options, if available. Applicants may withdraw from the State’s AFR program prior to the acceptance of an AFR offer from the State. Applicants who are eligible to receive an offer from the State and who are not otherwise invited to participate in a City-funded Acquisition Program shall not be able to receive an Acquisition offer from the City unless the City determines that it is in the Program’s best interest to acquire the property directly.

The Build It Back Program’s responsibility for determining eligibility for the State’s AFR program is limited to determining that the applicant’s property was substantially damaged by Hurricane Sandy and providing all relevant data to the State of New York for a final eligibility determination. As of November 2015, the State no longer accepts new referrals, unless otherwise specified. This section refers to the applicant pool that was referred to the State prior to November 2015.

2.1 Criteria for Referral to New York State

The State of New York has identified certain eligibility criteria that applications must meet before the State will accept referrals from the Build It Back Program. The City refers all Acquisition applications that meet these criteria to the State for review. In order to be eligible for referral to the State’s Acquisition program, Build It Back applications must meet the following criteria:

- The property must contain 1-2 residential units,
- The land upon which the residential units are located must not be owned by a cooperative or condominium association,
- The residential structure(s) located on the property must be destroyed or substantially damaged using the pre-storm appraised value of the structure(s) as the denominator in the substantial damage calculation or the property must be the subject of a substantial damage letter issued by New York City,
- New York State must determine that the property is developable. Sites located in a United States Department of Agriculture (USDA) program eligible area may be exceptions to this development criterion, and
- The property must not be located in a New York State Enhanced Buyout Area. The owners of properties in an Enhanced Buyout Area must apply to New York State directly to receive Buyout assistance. New York State is the final arbiter of whether a property is in an Enhanced Buyout Area.

2.2 Applicants Not Eligible for Referral to New York State

Applicants that have selected the Acquisition pathway option but who are not eligible for referral to New York State will be evaluated by New York City for participation in one of the other options

outlined herein. If New York State determines that the applicant is ineligible to receive Acquisition assistance after referral, the City will also evaluate the applicant for participation in one of the other options outlined herein or for another Build it Back pathway for which they may be eligible if they are interested.

2.3 Applicants Receiving Construction Assistance from Build it Back

Certain applicants who are pursuing or who have closed on assistance from Build it Back in a non-Acquisition pathway are also registered for Acquisition or Buyout assistance with New York State or with the United States Department of Agriculture (“USDA”). Upon signing a grant agreement with Build it Back for repair, repair and elevation or reconstruction assistance, Build it Back will inform New York State and the United States Department of Agriculture (USDA) of the pending construction project.

Applicants receiving construction assistance from Build it Back shall be in breach of their Build it Back grant agreement if they sell their properties to the State or USDA. The City may excuse this breach if it finds that it is in the best interest of the Program to do so. Build it Back will inform the State of any grants received by applicants from the City in order for the State to perform a duplication of benefits or coordination of benefits calculation. Preventing a duplication of benefits shall be the sole responsibility of New York State.

3 New York State Buyout

The State of New York offers Buyout assistance within Enhanced Buyout Areas as described in the State's Action Plan. This Buyout Program option is conducted in accordance with the State's policies and procedures. The State of New York directly contacted all Buyout applicants that were located in Enhanced Buyout Areas and requested their participation in the Buyout Program. The Build It Back Program does not refer applicants to the New York State Buyout Program.

Applicants receiving construction assistance from Build it Back shall be in breach of their Build it Back grant agreement if they sell their properties to the State. The City may excuse this breach if it finds that it is in the best interest of the Program to do so. Build it Back will inform the State of any grants received by applicants from the City in order for the State to perform a duplication of benefits or coordination of benefits calculation. Preventing a duplication of benefits shall be the sole responsibility of New York State.

4 New York City Property Acquisition and Buyout

4.1 Overview

The City has established Acquisition and Buyout Program options that are detailed in its CDBG-DR Action Plan. These options were developed to provide assistance to qualifying applicants in circumstances where the City has determined that the most resilient and desirable outcome will be served by the purchase of the applicant's property. The City will facilitate either the redevelopment of the property or will restrict future development on the site. The overall purpose of these options is detailed below:

- The City will purchase properties through its Buyout option in areas where development is not appropriate or cost reasonable and it will require that those properties remain undeveloped in perpetuity.
- The City will purchase properties through its Acquisition option when the purchase of those sites aligns with broader planning efforts. This will allow for better long-term outcomes and it will support other City resiliency efforts.
- The City will purchase properties to assist in individual and neighborhood resiliency outcomes such as supporting neighboring construction projects.
- The City will purchase properties to facilitate providing critical assistance to applicants when other Program options are not appropriate or available and the applicant was not able to participate in the New York State Acquisition for Redevelopment or Buyout programs.

The addition of these new Program options will enhance the recovery efforts in the City of New York and will allow the City to better serve both individual applicants and the long-term development goals of the City as a whole.

4.2 Acquisition and Buyout Identification Criteria

Applicants may not apply to receive Acquisition or Buyout assistance from Build It Back. Instead, the Build It Back Program offers Acquisition and Buyout to applicants that meet certain objective identification criteria including compliance with a national objective. Properties must meet at least one of the following criteria:

- Build it Back preliminarily determined that the property was substantially damaged and eligible for purchase by New York State, but the property was not purchased by New York State,
- The applicant is eligible to receive construction assistance from Build It Back, but site conditions or construction requirements make construction infeasible or impractical,
- The property is located adjacent to or is attached to a Build It Back construction project and Acquisition of the property would facilitate the construction project,
- The property is contiguous to another site that is being acquired by Build It Back,
- The property meets a strategic redevelopment purpose,
- The Acquisition of the property will support resiliency or long-term recovery objectives,
- The property is located in an area that is suitable for Buyout, or
- The property is determined to be blighted or pose a public health and safety risk.

In addition to current applicants, Build it Back may register new applicants for Build it Back if the purchase of the property supports one or more goals as outlined above. The Program may purchase residential properties, commercial properties and vacant land if the properties meet the identification criteria listed above.

4.3 Identifying a Property as an Acquisition or Buyout Property

4.4 Pre-Offer Disposition Determination

Prior to beginning the acquisition or buyout purchase process, the Program must identify whether the property is more suitable for Acquisition or Buyout. This determination is based upon the expected end-use of the property after it is purchased. The determination must then be documented and it established the intended use of the property after purchase.

4.4.1 Acquisition Determination

Properties are deemed to be suitable for Acquisition if the Program makes a preliminary determination that:

- the property is suitable for redevelopment and use as a residential property upon disposition, and
- that there are no issues present on the property that would prevent redevelopment as a residential property such as structural characteristics that would hinder construction or zoning issues that require redevelopment in a manner that is inconsistent with the City's Action Plan and the requirements of this Policy Manual.

4.4.2 Buyout Determination

Properties that are purchased as Buyouts will be converted to open space, returned to nature, or integrated into the City's flood protection measures. This will allow the City to create areas that will assist with mitigating the impacts of future flood or severe rain events by creating additional space to absorb floodwaters and mitigate the effects of wave action. Properties that are purchased as Buyouts will be used, for example, to create or add to parks, wetlands, wildlife management areas, beaches or other open areas that will not be developed for residential or commercial purposes. Buyout will only be offered if the City determines that the purchase of the property will meet its long-term goals of mitigating against future storm risk.

At the City's sole discretion, buyout will be offered to homeowners that are otherwise eligible for program assistance if the City determines that any of the following circumstances exist:

- The property has site or environmental conditions that prevent the redevelopment of the property for residential or commercial use and the City determines that the property is otherwise suitable for the conditions outlined above.
- The property is located in a floodway, flood-prone area or an area that has sustained severe repetitive flood losses as defined by the program.
- The City determines that the conversion of the property to open space will assist it in mitigating against future flood losses.

4.5 Purchasing Subrecipient

Project Rebuild, Inc. ("PRI") was incorporated in 2014 and has been procured by New York City's Department of Housing Preservation and Development ("HPD") to facilitate the City's Acquisition

activities associated with Hurricane Sandy recovery. PRI's responsibilities are outlined in an executed Subrecipient Agreement and include, but are not limited to, acquiring sites from Sandy affected homeowners or other eligible sellers, maintaining the properties in advance of a subsequent disposition, and executing a disposition plan that is developed in partnership with the City. Depending on the planned subsequent end use, all participating properties will be processed either through the Acquisition or Buyout Pathway. Details of the disposition plan related to these pathways are outlined below.

4.6 Post-Purchase Costs

The cost of demolition, site preparation, environmental mitigation and remediation, security, fencing and property maintenance will be paid for by the Program using CDBG-DR funds. The Program may, at its option, also choose to utilize CDBG-DR funds to perform construction on properties that are acquired.

4.7 National Objective

Each property that is purchased through the Acquisition and Buyout Program must meet one of the National Objectives defined below. The National Objective must be defined before the purchase of the property is completed. For Acquisition and Buyout, the National Objective is determined by the end use of the property. The National Objective is not determined by the income of the households that occupy the property prior to purchase.

- Low to Moderate Income (LMI) Persons: The property must be occupied by a low to moderate income homeowner or tenant after disposition (Acquisition only)
- Urgent Need: The property must be occupied by a non-LMI storm-impacted homeowner or tenant after disposition (Acquisition only)
- Urgent Need: All improvements on the property must be demolished/cleared and the property must remain undeveloped in perpetuity in order to mitigate the risk of future loss
- Spot Slum and Blight: The Acquisition and disposition of the property must be designed to eliminate specific conditions of blight or physical decay in an area not designated as a slum or blighted area (Acquisition and Buyout)

If the Program is unable to define a suitable end use for an Acquisition property, the property will be sold for Fair Market Value ("FMV") and all net proceeds generated from the sale of the property will be classified as Program Income and returned to the City. These proceeds will be used to meet the National Objective requirement as required by federal regulation. Buyout properties must meet a National Objective and they may not be sold for FMV.

5 New York City Acquisition Eligibility and Offers

5.1 Acquisition Eligibility Criteria

Properties receiving Acquisition assistance must meet the following eligibility criteria. Please refer to the Build It Back Single-Family Policy Manual for further information regarding eligibility criteria not detailed in this manual.

- The property must meet at least one of the Acquisition and Buyout Identification Criteria as outlined herein;
- The property must be suitable for use as a residential property after disposition,
- The property must be located in one of New York City's five boroughs,
- The property must not contain more than four (4) residential units,
- The property must have been damaged by Hurricane Sandy,
- The property must be insurable through the National Flood Insurance Program (NFIP),
- The applicant must meet the Program's identity requirements,
- The applicant must currently own the property,
- The property must meet one of the identification criteria listed above, and
- The property must not be owned by a condominium association or cooperative.

5.1.1 Attached / Semi-attached Homes Eligibility Criteria

The program may decline to purchase attached/semi-attached homes based upon an analysis of the feasibility of the project, including whether post-sale construction, including demolition or elevation, can be accomplished by a subsequent purchaser.

5.1.2 Unregistered Applicants

If the property that is targeted for Acquisition is owned by an individual that has not registered for Build It Back, the Program may perform outreach to the owner in an attempt to purchase the property. If the applicant registers for Program assistance, the applicant must meet all of the eligibility criteria that are applicable to the benefit that they will receive.

5.2 Acquisition Purchase Offers

5.2.1 Acquisition Purchase Amount

The Program will offer to purchase properties through its Acquisition option for the post-storm value of the land, residential structure(s) and any other improvements as determined by an appraisal. The Program will pay for the required appraisal or it may accept an approved appraisal provided by the applicant. The Acquisition offer is reduced by any repair or replacement benefits received by the applicant that have not already been spent on allowable activities. This amount is also known as the "property purchase" amount and it may be packaged with Resettlement Incentives as provided for in this Manual.

5.2.2 Specific Limitation on Acquisition Offers

In certain cases, properties that are being purchased as Acquisitions may have appreciated in value since Hurricane Sandy due to New York City's robust housing market. In order to ensure compliance with necessary and reasonable cost requirements, the Program limits post-storm Acquisition purchase offers to the pre-storm value of the land, residential structure(s) and any other improvements as determined by an appraisal. This limitation is applied before any unspent disaster recovery benefits are deducted by the Program.

5.2.3 Coordination of Benefits

5.2.3.1 Benefits Counted as Duplicative

The following benefit types are considered duplicative and shall be considered when determining all Acquisition offer amounts. Please refer to the Build It Back Single-Family Policy Manual for further information.

- FEMA Individual Assistance (IA) Repair and Replacement
- FEMA National Flood Insurance Program (NFIP) Structural Loss
- Private Insurance Structural Loss
- FEMA Increased Cost of Compliance
- Empire State Fund (ESF)
- Disaster Homeownership Repair and Rebuilding Fund (DHRRF)
- Other Philanthropic Assistance Specifically Intended for Repair or Replacement
- Build It Back Reimbursement, Repair and Rebuild
- FEMA Individual Assistance (IA) Temporary Housing or Temporary Rental Payments
- Private Insurance Additional Living Expense Assistance (ALE)

5.2.3.2 Treatment of Small Business Administration (SBA) Loans

The Program treats small Business Administration (SBA) disaster loans as liens when calculating an applicant's final benefit amount. Accordingly, the final property purchase amount received by an applicant will be reduced by any unpaid SBA loan principal and interest amounts at the time of closing. SBA loan principal amounts that are repaid prior to closing are not considered duplicative. Applicants that have received SBA Relocation loans are not eligible for Acquisition or Buyout assistance due to the requirements that SBA places on properties with relocation liens.

5.2.3.3 Allowable Activities

If the applicant received potentially duplicative assistance, the Program must determine if such assistance was spent on allowable activities. Refer to the Build It Back Single-Family Policy Manual for further information regarding allowable activities.

5.2.4 Limitations on Acquisition Offers

Final Acquisition offers shall not exceed NYC's 2013 FHA Mortgage Limits for the property type. The 2013 FHA Mortgage Limits are as follows:

One Unit:	\$729,750
Two Units:	\$934,200
Three Units:	\$1,129,250
Four Units:	\$1,403,400

The unit count used for award cap purposes will be determined by the number of units located on the property as determined by the Program's damage assessment.

6 New York City Buyout Eligibility and Offers

6.1 Buyout Eligibility Criteria

Properties receiving Buyout assistance must meet the following eligibility criteria. Please refer to the Build It Back Single-Family Policy Manual for further information regarding eligibility criteria not detailed in this manual.

- The property must meet at least one of the Acquisition and Buyout Identification Criteria as outlined herein;
- The property must be suitable for use as undeveloped open space in order to reduce risk,
- The property must be located in one of New York City's five boroughs,
- The property must not contain more than four (4) residential units,
- The property must have been damaged by Hurricane Sandy,
- The applicant must meet the Program's identity requirements,
- The applicant must currently own the property,
- The property must have been a primary residence at the time of Sandy or it must currently be a primary residence,
- The property must meet one of the identification criteria listed above, and
- The property must not be owned by a condominium association or cooperative.

6.1.1 Primary Residency Exception for Buyouts

If the Program determines that a property is suitable for Buyout, but the property does not meet the Program's primary residency requirements, the Program may not purchase the property as a Buyout pursuant to requirements of the March 5, 2013, Sandy Funding Notice. The Program may, however, purchase the home through for post-storm value rather than pre-storm value. Such applicants are not eligible for Resettlement Incentives because the property is not owner-occupied.

6.1.2 Attached / Semi-attached Homes Eligibility Criteria

The program may decline to purchase attached/semi-attached homes based upon an analysis of the feasibility of the project, including whether post-sale construction, including demolition or elevation, can be accomplished by a subsequent purchaser.

6.1.3 Unregistered Applicants

If the property that is targeted for Buyout is owned by an individual that has not registered for Build It Back, the Program may perform outreach to the owner in an attempt to purchase the property. If the applicant registers for Program assistance, the applicant must meet all of the eligibility criteria that are applicable to the benefit that they will receive.

6.2 Buyout Purchase Offers

6.2.1 Buyout Purchase Amount

The Program will offer to purchase properties through its Buyout option for the pre-storm value of the land, residential structure(s) and any other improvements as determined by an appraisal. The Program will pay for the required appraisal or it may accept an approved appraisal provided by the applicant. The Buyout offer amount is then reduced by any repair or replacement benefits received by the applicant that have not already been spent on allowable activities. This amount

is also known as the “property purchase” amount and it may be packaged with Resettlement Incentives as provided for in this Manual.

6.2.2 Coordination of Benefits

6.2.2.1 Benefits Counted as Duplicative

The following benefit types are considered duplicative and shall be considered when determining all Buyout offer amounts. Please refer to the Build It Back Single-Family Policy Manual for further information.

- FEMA Individual Assistance (IA) Repair and Replacement
- FEMA National Flood Insurance Program (NFIP) Structural Loss
- Private Insurance Structural Loss
- FEMA Increased Cost of Compliance
- Empire State Fund (ESF)
- Disaster Homeownership Repair and Rebuilding Fund (DHRRF)
- Other Philanthropic Assistance Specifically Intended for Repair or Replacement
- Build It Back Reimbursement, Repair and Rebuild
- FEMA Individual Assistance (IA) Temporary Housing or Temporary Rental Payments
- Private Insurance Additional Living Expense Assistance (ALE)

6.2.2.2 Treatment of Small Business Administration (SBA) Loans

The Program treats small Business Administration (SBA) disaster loans as liens when calculating an applicant’s final benefit amount. Accordingly, the final property purchase amount received by an applicant will be reduced by any unpaid SBA loan principal and interest amounts at the time of closing. SBA loan principal amounts that are repaid prior to closing are not considered duplicative. Applicants that have received SBA Relocation loans are not eligible for Acquisition or Buyout assistance due to the requirements that SBA places on properties with relocation liens.

6.2.2.3 Allowable Activities

If the applicant received potentially duplicative assistance, the Program must determine if such assistance was spent on allowable activities. Refer to the Build It Back Single-Family Policy Manual for further information regarding allowable activities.

6.2.3 Limitations on Acquisition and Buyout Offers

Final Buyout offers shall not exceed NYC’s 2013 FHA Mortgage Limits for the property type. The 2013 FHA Mortgage Limits are as follows:

One Unit:	\$729,750
Two Units:	\$934,200
Three Units:	\$1,129,250
Four Units:	\$1,403,400

The unit count used for award cap purposes will be determined by the number of units located on the property as determined by the Program’s damage assessment.

7 Purchase of New York City Acquisition and Buyout Properties

7.1 Title and Liens

7.1.1 Title and Survey Requirements

The Program will perform a title search upon each potential Buyout and Acquisition property to verify ownership and to identify any encumbrances, easements or flaws in the title. The Program will also perform or obtain a survey for each potential Acquisition and Buyout property in order to identify all improvements and potential encroachments.

7.1.2 Title and Survey Analysis

The Program, or its designee, will analyze the results of the title search and survey to determine any actions that may be required to obtain clear title and any additional closing requirements. Examples of required actions include, but are not limited to:

- Identifying flaws or “clouds” on the title. Examples include a deficient ownership interest, easements that would prevent the disposition of the property or other conditions noted on the title report that would prevent the subrecipient from taking ownership of the property and disposing of the property in accordance with the Program’s requirements.
- Identifying all owners of the property.
- Identifying any encumbrances that must be satisfied prior to purchase such as a recorded judgment or tax lien.
- Determining if the property has an active *lis pendens* filing or if the property is subject to foreclosure.
- Determining if the property has any open building permits or Environmental Control Board (ECB) violations.
- Identifying unpaid property taxes that must be paid at or prior to closing.
- Other municipal searches as required.

7.1.3 Restriction on the Use of Resettlement Incentive Funds to Satisfy Liens

Only the property purchase payment component of an Acquisition award may be used to satisfy unpaid lien amounts judgments, taxes or any other amounts that must be paid to facilitate a closing. Resettlement Incentive payments, if applicable, may not be used for these purposes.

7.1.4 Satisfaction of Liens

All liens on the subject property must be satisfied at the closing or prior to the closing. If liens are paid using the property purchase payment component of an award, the Program’s closing agent will make the required payments directly to lien holders after closing and will secure all documentation to show that all liens have been satisfied and released.

7.1.5 Negative Equity

If, after determining the payoff amount of all liens, the Program determines that the property purchase payment component of the applicant’s award is insufficient to pay off all liens, judgments, taxes or any other amounts that must be paid to facilitate the closing (known collectively as the applicant’s closing liabilities), the applicant will not be eligible for Buyout or Acquisition. In such cases, the applicant may either choose to take steps on their own to lower

the value of their closing liabilities so that the property purchase payment component is sufficient to satisfy all such liabilities or the applicant may request assistance from the Program to negotiate with lenders on their behalf.

7.1.6 *Lis Pendens* and Foreclosure

For applicants at risk of foreclosure, the Program will evaluate the situation based on the procedures described in the Build It Back Single-Family Policy Manual, including referring applicants to counseling. The Program may also work with applicants and lenders to forestall foreclosure proceedings.

7.1.7 Lender Negotiation

The Program may work directly with applicants to resolve issues with lenders, taxing agencies or other interested parties that may have an interest in the property in order to facilitate the closing. Examples include, but are not limited to:

- Applicants that are subject to *lis pendens* filings or active foreclosure proceedings.
- An applicant's award calculation demonstrates that they have negative equity in the property.
- An applicant wishes to enter into negotiations with a lender or other lienholder to reduce their lien payoff amount.

7.1.8 Open Building Permits and Violations

The Program will review each property prior to closing to determine if the property has any open building permits or open violations with any New York City agencies. In certain cases, the Program may require applicants to close or otherwise resolve open building permits or violations prior to closing.

7.1.9 Property Taxes

The Program will determine the amount of any unpaid property taxes prior to closing. Any unpaid taxes from prior years, together with pro-rated taxes for the current year, will be paid out of the applicant's property purchase payment amount at closing.

7.2 Closing

Upon acceptance of the Program's final offer and the finalization of any lender negotiations, the Program will schedule a closing for the project. The Program will also obtain final payoff amounts for any liens from lien holders. The closing must occur within the time period wherein all payoff amounts are considered valid by the lien holder(s).

7.2.1 Requirement to Vacate

The applicant will be provided notice of the closing date prior to the closing. The premises must be vacated by all residents prior to the closing. The Program will perform an inspection prior to closing to verify that the premises are vacant and that the property was not damaged and that fixtures and leasehold items were not removed from the property prior to sale. Personal property that is left on the premises shall be considered to be abandoned by the applicant if such property remains on the premises after the deadline to vacate.

7.2.2 Pre-Closing Requirements

Prior to Closing, the Program must make a final determination that the following conditions are satisfied:

- That both the applicant and the property are eligible for Acquisition or Buyout assistance,
- That the applicant has accepted the Program's final offer,
- That clear title will be obtained upon closing,
- That the Tier 2 Environmental Review Record is complete and executed,
- That all known environmental hazards and constructability factors have been considered when determining the intended method of disposition,
- That an end use of the property has been identified,
- That a National Objective has been identified that is consistent with the end use of the property, and
- That the end use is consistent with the benefit being offered.

7.2.3 Closing Costs

All costs of closing, recordation, including legal fees and costs associated with performing appraisals, surveys, title reviews and purchasing title insurance will be paid by the Program using CDBG-DR funds. At closing the seller will pay a pro-rated amount out of the property purchase offer that includes, but is not limited to:

- Outstanding DEP (water/sewer) charges (Charges must be pro-rated up to the date of closing),
- Outstanding DOF charges (charges must be pro-rated up to the date of closing), and
- HOA charges (At the closing the seller will pay a pro-rated amount out of the property purchase amount. Once the property is transferred a HOA charge is an eligible use of CDBG funds).

8 Disposition of Acquisition Properties

8.1 National Objective

National Objective for Acquisition projects is established by the end-use of the property after disposition to a new owner. The National Objective for Acquisition projects resulting in redevelopment shall be Urgent Need. The urgent needs being addressed include replacing Hurricane Sandy damaged housing stock and ensuring that replacement housing stock is elevated or reconstructed in a resilient and flood-resistant manner. The following CDBG-DR costs relating to the project will be classified as Urgent Need expenditures:

- The amount paid to the original owner to purchase the property (the post-storm value of the property less any reductions due to other benefits received),
- All soft costs related to the purchase of the property from its original owner including closing costs, recording fees, etc.,
- All carrying costs incurred by the Program after purchase, including fencing and security costs and costs related to insurance, and
- All costs associated with construction performed by the Program or its subrecipient upon an acquired property after purchase, including demolition, clearance, environmental remediation, repair, elevation or reconstruction.

The National Objective for Resettlement Incentive benefits paid to the original owner shall be determined by the household income of the household that received the assistance.

8.2 Redevelopment Requirements

Prior to the disposition of an acquired property, the Program will generate a Redevelopment Plan for the property that will stipulate the actions that must be taken by a new owner after purchase. The Redevelopment Plan will include, at a minimum:

- Demolition and site clearance requirements,
- Environmental remediation requirements,
- Identification of the party (the City or the subsequent owner) that is responsible for demolition, site clearance and environmental remediation,
- The construction intent of the project (demolition and/or elevation or reconstruction),
- Limitations on redevelopment, such as when a property is being held for a public purpose until redevelopment is feasible,
- The number of residential units that must be on the property upon completion,
- The applicable elevation requirements of the project pursuant to Appendix G of the New York City Building Code,
- Requirements to construct and/or maintain any necessary public safety and flood-control improvements such as bulkheads,
- Other construction requirements, as applicable,
- A deadline for applying for a building permit,
- A deadline for completing the project and closing the building permit, and
- Conditions for granting extensions of any deadlines that are imposed by the Program.

Deadlines for starting and completing a project will be established individually based upon the project's complexity.

8.3 Restriction on Sale to Original Owners

Applicants who sell their property to the Program are not eligible to become owners of the same property through disposition by the City or its subrecipient.

8.4 Deed Restrictions on Acquired Properties

Prior to the disposition of an acquired property, the Program will prepare a deed restriction that will incorporate the requirements of the Redevelopment Plan and any other compliance requirements associated with the project. The deed restriction will require the return of the property to the City of New York or its designee if the new owner fails to comply with the stipulated requirements. The deed restriction will also require that all subsequent owners must purchase and maintain flood insurance on the property in perpetuity if the property contains an insurable structure. Failure to obtain and maintain flood insurance will not result in reversion of the property to the City, but it will make future owners ineligible for federal flood disaster assistance.

8.5 Fair Market Value Sale Defined

All properties purchased by the Program through its Acquisition option will be sold by the Program for the post-purchase fair market value of the property unless otherwise provided for herein. Sale of properties for fair market value may be accomplished in the following ways.

8.5.1 Public Auction

The Program may sell properties to the highest bidder at a publicly advertised auction. The fair market value for a given property will be established by the highest bid that is received for the property at auction. Prior to auction, the Program will publish the deed restrictions for each property so that buyers are aware of all post-purchase compliance requirements.

8.5.2 Public Sale

The Program may publicly advertise a property for sale for the post-purchase value of the property as determined by an appraisal. In such a case, the Program will publish the deed restrictions for each property so that buyers are aware of all post-purchase compliance requirements. If, after advertisement, the Program obtains multiple offers on the property from prospective purchasers, the Program must accept the highest offer from a qualified buyer.

8.5.3 Qualification of Bidders and Buyers

The Program may establish minimum requirements for bidders and buyers prior to auction or public sale. All requirements must be adopted to facilitate the sale of properties to appropriate buyers and the minimum requirements must not unnecessarily restrict full and open competition. Such requirements may include, but are not limited to:

- Proof that the prospective bidder or buyer has access to funds needed to purchase the property,
- Proof that the prospective bidder or buyer has access to the funds needed to complete construction on the property,
- Proof that the prospective bidder or buyer has experience redeveloping properties in New York City and
- Proof that the prospective bidder or buyer does not have negative history of property ownership and management.

8.6 Methods of Disposition

8.6.1 Redevelopment by Build it Back

The Build it Back Program may complete redevelopment of an acquired property using its own construction resources, such as when an acquired property is physically attached to another property that is receiving elevation or reconstruction assistance. In such cases, the Program will complete all redevelopment activities prior to the sale of the property to a new owner for use as an owner-occupied or tenant-occupied residential property. Properties that are redeveloped by Build it Back will not require a Redevelopment Plan.

8.6.1.1 Method of Sale

All properties that are redeveloped by the Build it Back Program using CDBG-DR funds will be sold for fair market value upon the completion of all construction activities.

8.6.1.2 Monitoring

The Program shall not monitor properties that were redeveloped by Build it Back because redevelopment was completed prior to sale. Monitoring for compliance with the Program's flood insurance purchase and maintenance requirements will be the responsibility of the entity charged with providing federal flood disaster relief following future flood events.

8.6.2 Redevelopment by a Qualified Developer

One of the Acquisition Program's primary goals is to facilitate the development of resilient, flood resistant residential units on properties that are purchased by the Program.¹ The Program also wishes to develop affordable units, where practical. If, after a review of its portfolio of purchased properties, the Program determines that the redevelopment of properties in a manner that supports affordable housing is a feasible alternative, the Program may classify those properties as suitable for redevelopment by a qualified developer. This decision may be based upon factors such as location, zoning, neighborhood characteristics, economic feasibility or other development factors.

8.6.2.1 Developer Selection

If the Program determines that a group of properties is suitable for redevelopment by qualified developers, the Program will publish a request for proposals from developers that includes the Redevelopment Plan for the properties to be redeveloped, the deed restriction(s) that will be placed upon the property upon transfer of ownership and other pertinent information such as any post-redevelopment affordability requirements. The requests for proposals will also identify any minimum requirements for proposers and it will state the criteria for developer selection.

8.6.2.2 Monitoring

Upon selection of a developer, the Program will develop a monitoring plan for the project to ensure that the developer meets all of the redevelopment requirements outlined in the Redevelopment Plan and deed restrictions. The monitoring plan will ensure that:

- The developer complies with all environmental requirements,
- The developer completes the demolition of existing structures, if required,

¹ This is defined as the elevation or reconstruction of the structure so that it is compliant with Appendix G of New York City's Building Code (Flood-Resistant Construction).

- The developer completes construction in compliance with all redevelopment requirements,
- The developer meets the deadline for permit application, and
- The developer meets the deadline for project completion.

Monitoring for compliance with the Program's flood insurance purchase and maintenance requirements will be the responsibility of the entity charged with providing federal flood disaster relief following future flood events.

8.6.2.3 Development for Affordable Housing

The Program may, at its option, require that properties be redeveloped for use as affordable housing. This may be housing that is restricted to HUD-defined low to moderate income homeowners or tenants or it may be restricted to higher-income homeowners or tenants, consistent with affordability requirements outlined by the City in other programs that it implements. If the City opts to redevelop acquired properties for use as affordable housing, the City will develop specific affordability requirements for the redevelopment project and a monitoring plan to ensure that the properties are developed in a manner consistent with the City's goals as outlined in the property's Redevelopment Plan.

8.6.3 Private Market Redevelopment

The Program may determine that the best outcome for an acquired property is to sell the property to a new owner for use as an owner-occupied or tenant-occupied residential property after redevelopment is completed. If the property was substantially damaged by Hurricane Sandy, the new owner must redevelop the property by either elevating the existing residential structure or rebuilding the structure so that it is fully compliant with Appendix G of New York City's Building Code. Private market redevelopment properties will not be subject to any affordability requirements.

8.6.3.1 Method of Sale

All properties that are to be redeveloped through private market redevelopment will be sold for fair market value at auction or through a similar open and competitive process.

8.6.3.2 Monitoring

Upon the sale of an acquired property to a new owner for redevelopment, the Program will develop a monitoring plan for the project to ensure that the new owner meets all of the redevelopment requirements outlined in the Redevelopment Plan and deed restriction. The monitoring plan will ensure that:

- The new owner complies with all environmental requirements,
- The new owner completes the demolition of existing structures, if required,
- The new owner completes construction in compliance with all redevelopment requirements,
- The new owner meets the deadline for permit application, and
- The new owner meets the deadline for project completion.

If an owner completes the project in compliance with the Redevelopment Plan and the requirements of the deed restriction, the Program will have no other monitoring obligations relative to the project. Monitoring for compliance with the Program's flood insurance purchase and

maintenance requirements will be the responsibility of the entity charged with providing federal flood disaster relief following future flood events.

8.6.4 Redevelopment with Interim Flood Mitigation

The Program may determine that it has purchased a property for redevelopment that cannot be redeveloped in its current state, but that may be able to be redeveloped in the future. It is not in the best interests of the City to prohibit all future redevelopment of these scattered sites because New York City does not have sufficient space for the construction of residential properties. Furthermore, these sites are not located in high-hazard areas and they are not appropriate for the City's Buyout option. It is, however, in the City's best interest to utilize these properties for the valid public purpose of increasing permeable ground area for floodwater absorption until the property can be redeveloped. The urgent need being met by this use of the property is flood mitigation through preservation of open space. In some cases, the urgent need being met is also providing evacuation and emergency service corridors for properties that have no street access.

8.6.4.1 Properties Suitable for the Redevelopment with Interim Flood Mitigation

The Program performs development studies on all acquired properties prior to purchase to determine whether they can be developed. In some limited cases, the City may determine after purchase that redevelopment is not desirable or feasible given current circumstances. Examples include, but are not limited to:

- Substandard lots that cannot be feasibly redeveloped without merging the lot with other lots in the area that were not acquired by the Program,
- Properties that are "landlocked" and cannot be feasibly accessed for construction purposes, such as properties that are not located on a public street or that are located in the interior of a court, and
- Properties that may currently serve a public purpose due to the current configuration of neighboring homes, but which may be developable in the future if the area is part of a comprehensive Redevelopment Plan.

8.6.4.2 Demolition and Remediation of Environmental Hazards Prior to Sale

If an Acquisition property is deemed suitable for a public purpose pending redevelopment, the Program will demolish all improvements located on the property including all structures, driveways, septic tanks or other improvements that may impede the absorption of floodwater. The Program will also complete any required environmental remediation on the property. Such activities must be completed prior to the Program's subrecipient transferring the property to a new owner.

8.6.4.3 Method of Sale

All properties that are to be redeveloped with interim flood mitigation will be sold for fair market value at auction or through a similar open and competitive process.

8.6.4.4 Specific Deed Restriction Requirements

Redevelopment with Interim Flood Mitigation properties will be subject to additional deed restrictions as follows:

- A requirement that the owner of the property not build or place a structure upon the property that would impede the absorption of floodwater,

- A requirement that the owner not pave the property with impermeable material,
- A requirement that the owner maintain the property and keep it free of debris and hazards, and
- A requirement that the property be redeveloped only for use as residential housing that is fully compliant with Appendix G of New York City's Building Code.

8.6.4.5 *Subdivision of Redevelopment with Interim Flood Mitigation Properties*

The Program will not subdivide Redevelopment with Interim Flood Mitigation properties prior to disposition. Owners may, at their option and at their own expense, subdivide such properties after disposition.

8.6.4.6 *Monitoring*

The Program will monitor compliance with redevelopment requirements through enforcement of its deed restriction. The Program will also perform on-site monitoring of a percentage of such properties on a periodic basis to ensure compliance with Program requirements.

8.7 Change in Use

The qualifying CDBG-DR eligible activity for an acquired property is determined by the actual end-use of the property, not by the intended end-use of the property. In certain cases, the end-use activity that was identified at the time of purchase cannot be successfully accomplished and the Program must change the end use of the property to another eligible activity. In other cases, changes in circumstances may dictate that there is no eligible end-use for a purchased property, in which case the sale of the property for fair market value is allowed.

8.7.1 Determining if a Change in Use Has Occurred

All properties that are purchased as Acquisitions have a default end-use of redevelopment of the property for use as residential housing by a new owner or by Build it Back. The change in use process must be followed if:

- An Acquisition for redevelopment property is converted to a property that will be used for a public purpose pending redevelopment,
- An Acquisition for redevelopment property is converted to a property that will be sold for fair market value with no redevelopment requirements, or
- An Acquisition for redevelopment property is converted to a Buyout property.

8.7.2 The Change in Use Process

If the Program determines that a change in use is required, the Program must publish notice of the change of use pursuant to New York City's public notice requirements in order to provide affected citizens with reasonable notice of and opportunity to comment on any proposed change in use. The Program must also hold at least one hearing in the affected area in order to give citizens and opportunity to comment on the change in use. Public comments received during this period must be considered when determining the outcome of the change in use process.

8.7.3 Sale for Fair Market Value

If a property is acquired for redevelopment, but the Program determines that redevelopment through one of the aforementioned mechanisms is not feasible or practical, the Program may abandon controlled redevelopment of the property and the property may be sold for fair market value upon completion of the change in use process. Upon completion of the sale and return of

all funds from the sale to the City of New York's Sandy Grantee, the CDBG identity of the project will have been removed and the future owner will not be subject to any programmatic restrictions. The Program will also have no further compliance or monitoring obligations relative to the property.

8.7.4 Conversion to Buyout

If a property is acquired for redevelopment, but the Program determines that the property is best suited for treatment as a buyout property, the Program may reclassify the property as a buyout property upon completion of the change in use process.

9 Disposition of Buyout Properties

9.1 National Objective

National Objective for Buyout projects is established by the end-use of the property after disposition to a new owner. The National Objective for Buyout projects shall be Urgent Need. The urgent needs being addressed include flood mitigation, storm surge protection and/or removal of structures from hazardous areas. The following CDBG-DR costs relating to the project will be classified as Urgent Need expenditures:

- The amount paid to the original owner to purchase the property (the pre-storm value of the property less any reductions due to other benefits received),
- All soft costs related to the purchase of the property from its original owner including closing costs, recording fees, etc.,
- All carrying costs incurred by the Program after purchase, including fencing and security costs and costs related to insurance, and
- All costs associated with construction performed by the Program or its subrecipient upon an acquired property after purchase, including demolition, clearance and environmental remediation.

The National Objective for Resettlement Incentive benefits paid to the original owner shall be determined by the household income of the household that received the assistance.

9.2 Demolition and Remediation of Environmental Hazards

If a property is deemed suitable for Buyout, the Program will demolish all improvements located on the property including all structures, driveways, septic tanks or other improvements that may impede the absorption of floodwaters. The Program will also complete any required environmental remediation on the property. Such activities must be completed prior to the Program's subrecipient transferring the property to a new owner.

9.3 Restriction on Sale to Original Owners

Applicants who sell their property to the Program are not eligible to become owners of the same property through disposition by the City or its subrecipient.

9.4 Deed Restrictions

Prior to transferring ownership, the Program will prepare a deed restriction that will incorporate the compliance requirements associated with the property:

- A requirement that the owner of the property not build or place a structure upon the property,
- A requirement that the owner not pave the property with impermeable material,
- A requirement that the owner maintain any necessary public safety and flood-control improvements such as bulkheads, and
- A requirement that the owner maintain the property and keep it free of debris and hazards.

The deed restriction will require the return of the property to the City of New York or its designee if the new owner fails to comply with the stipulated requirements.

9.5 Limitations on Property Use

HUD announced specific regulations that govern the use of Buyout properties after they are given to a new owner for long-term management. The May 29, 2013, Federal Register Notice (78 FR 32262) provides that:

1. *Any property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices;*
2. *No new structure will be erected on property acquired, accepted or from which a structure was removed under the acquisition or relocation program other than:*
 - a. *a public facility that is open on all sides and functionally related to a designated open space (e.g., a park, campground, or outdoor recreation area);*
 - b. *a rest room;*
 - c. *a flood control structure that the local floodplain manager approves in writing before the commencement of the construction of the structure...*

In order to ensure compliance with HUD's intent regarding properties purchased under the Buyout option, the Program has adopted the FEMA definition of structure from the FEMA Property Acquisition Handbook for Local Communities (FEMA 317, 1998) which defines a structure as "a walled and roofed building, including a storage tank for gas or liquid, that is principally above ground."

The Program requires that all Buyout properties be managed in accordance with the above stated requirements.

9.6 Transfer of Ownership

9.6.1 Transfer to a Unit of Government or Non-Profit Entity

The Program may transfer ownership of the property to a unit of federal, state or local government or to a non-profit entity at no cost to the entity.

9.6.2 Yard Expansion Program for Buyout Properties

The Program may transfer ownership of the property to a neighboring, contiguous property owner so that the property may be combined with another adjoining property. In such cases, the Program will invite all neighboring, contiguous owners to take ownership of the property. If more than one owner indicates a willingness to take ownership of the property, the Program will utilize the Yard Expansion restricted bidding process.

9.6.2.1 Properties Suitable for the Yard Expansion Program

The Program performs development and disposition studies on all acquired properties prior to purchase to determine whether they can be developed. In some cases, the City may determine after purchase that disposition to a public agency or nonprofit is not desirable or feasible given current circumstances. Examples include, but are not limited to:

- Substandard lots that are not adjacent to other property under the jurisdiction of a public agency that manages open space, and cannot be feasibly managed by a public agency for a public benefit, and
- Properties that are “landlocked” and cannot be feasibly accessed by public agencies, such as properties that are not located on a public street or that are located in the interior of a court.

9.6.2.2 *Method of Sale*

The Program’s primary method of disposition for Yard Expansion properties will be the sale of the property to a neighboring property owner who will be required to maintain the property. In order to facilitate the fair disposition of Yard Expansion properties, the Program will conduct a restricted bidding process whereby all neighboring owners will be invited to submit a written, sealed bid to the Program. The property will be sold to the owner who submits the highest bid for the property. The Program may qualify bidders pursuant to the requirements announced in this section. In the event that two or more lots considered for disposition as Yard Expansion properties border one another such that they, taken together, form one continuous space, the Program may elect to facilitate the sale of such lots together as a package to any lots that share a border with one or more of the Yard Expansion lots.

9.6.3 Subdivision of Yard Expansion Properties

The Program will not subdivide Yard Expansion Buyout properties prior to disposition. Owners may, at their option and at their own expense, subdivide Yard Expansion properties after disposition.

9.7 Monitoring

The Program will monitor compliance with Buyout requirements through enforcement of its deed restriction. The Program will also perform on-site monitoring of a percentage of Buyout properties on a periodic basis to ensure compliance with Program requirements.

10 New York City Breezy Point/Edgewater Park Cooperative Relocation

10.1 Overview

The Breezy Point Cooperative, Inc. and the Edgewater Park Owners Cooperative are cooperatives located in New York City that are distinct from cooperatives that own and manage multi-unit buildings. In these types of cooperatives, residents own their homes and hold shares in the cooperative that owns and manages the property upon which the homes are located. Most of these homes are traditional, single family structures that are indistinguishable from other similarly situated single-family homes in New York City. Such properties are not eligible for Acquisition by New York State or by New York City. The Program refers to homes located in Breezy Point, Edgewater Park and similar cooperatives as “stand-alone cooperative” applications.

The Program provides a separate option for the homeowners with stand-alone cooperative applications that effectively replicates Acquisition-type programs. Homeowners with stand-alone cooperative applications may choose the Cooperative Relocation option provided that the damaged structure is a one or two-unit home that was substantially damaged or otherwise meets the requirements of New York City’s Acquisition option. Cooperative Relocation assistance is a “housing incentive” as described in section VI(A)(29) of the HUD March 5, 2013 Notice (78 FR 14345).

10.2 Relocation Benefit Determination

The relocation grant amount is comprised of a relocation incentive payment that is provided to eligible applicants. The relocation incentive payment is based on pre-storm value as determined by an appraisal less any repair, replacement, relocation or temporary housing disaster-related benefits received by the applicant that have not already been spent on allowable activities. The Program will pay for the required appraisal or it may accept an approved appraisal provided by the applicant.

10.2.1 Pre-Storm Value for Applicants Retaining Their Cooperative Shares

Applicants in Breezy Point are required to retain their shares in the cooperative because the Breezy Point Cooperative will not accept the transfer of the shares in conjunction with relocation. Applicants in the Edgewater Park Cooperative may choose to either retain their shares or they may transfer them to the cooperative in conjunction with relocation. In cases where an applicant retains their shares in the cooperative, the Program’s maximum relocation benefit is the total appraised value of the land and structure less the value of the land since the shares should approximate the land value for the property. Applicants may then sell their shares on the open market or they may choose to retain them.

10.2.2 Methodology for Determining Pre-Storm Value for Edgewater Park Cooperative Homes

Applicants in the Edgewater Park Cooperative may choose to transfer their shares back to the cooperative in conjunction with relocation. This is because shares in the Edgewater Park Cooperative do not have significant value on the open market after the demolition of the structure is completed. If an applicant chooses to transfer their shares to the cooperative in conjunction

with relocation, the Program's maximum relocation benefit is the total appraised value of the land and structure less the par value of the applicant's cooperative shares.

10.2.3 Coordination of Benefits

10.2.3.1 Benefits Counted As Duplicative

The following benefit types are considered duplicative and shall be considered when determining all relocation and benefit amounts. Please refer to the Build It Back Single-Family Policy Manual for further information.

- FEMA Individual Assistance (IA) Repair and Replacement
- FEMA National Flood Insurance Program (NFIP) Structural Loss
- Private Insurance Structural Loss
- FEMA Increased Cost of Compliance
- Small Business Administration (SBA) Loans for Repair, Replacement, Mitigation or Relocation
- Empire State Fund (ESF)
- Disaster Homeownership Repair and Rebuilding Fund (DHRRF)
- Other Philanthropic Assistance Specifically Intended for Repair or Replacement
- Build It Back Reimbursement, Repair and Rebuild
- FEMA Individual Assistance (IA) Temporary Housing or Temporary Rental Payments
- Private Insurance Additional Living Expense Assistance (ALE)

10.2.3.2 Allowable Activities

If the applicant received potentially duplicative assistance, the Program must determine if such assistance was spent on allowable activities. Refer to the Build It Back Single-Family Policy Manual for further information regarding allowable activities.

10.2.4 Limitations on Cooperative Relocation Benefit Amounts

The Cooperative Relocation incentive payment amount shall not exceed \$729,750.

10.3 Eligibility Criteria for Cooperative Relocation

A property may be eligible for the Cooperative Relocation Option if it meets all of the following criteria:

- The residential structure(s) must be destroyed, substantially damaged, have been deemed unbuildable or must otherwise meet one of the Program's Acquisition or Buyout Identification Criteria,
- The property must be located in one of New York City's five boroughs,
- The property must not contain more than two (2) residential units,
- The property must contain an eligible residential structure,
- The property must have been damaged by Hurricane Sandy,
- The applicant must meet the Program's identity requirements,
- The applicant must have owned the property at the time of Sandy,
- The applicant must currently own the property,
- The applicant must meet the Program's Citizenship or Qualified Immigrant requirements,
- The property must have been the applicant's primary residence at the time of Sandy,
- The structure must have been owner-occupied at the time of Sandy, and

- The property must be located in the Breezy Point Cooperative or Edgewater Park Cooperative.

10.4 Grant Agreement Requirements

Prior to grant agreement, the Program must determine that the property is eligible for the Cooperative Relocation Option. Prior to award, the applicant must sign a Grant Agreement in which the applicant agrees to meet the Program's relocation requirements. Following the execution of the Grant Agreement, the Program will disburse the Cooperative Relocation Grant to the applicant.

10.5 Relocation Requirements

Applicants receiving Cooperative Relocation assistance must agree to:

- Relocate to a home located outside of the cooperative or, if the applicant chooses to relocate within the cooperative, relocate to a home that is located outside of the 100-year floodplain,
- Obtain and maintain flood insurance on their new primary residence if it is located within a 100-year floodplain,
- Never use their Sandy-damaged property as a primary residence if they retain ownership of their shares in the cooperative,
- Transfer ownership of their shares in the cooperative to the cooperative if the applicant's relocation grant amount was calculated based upon the structure and land value of their Sandy-damaged property,
- Use their relocation grant on expenses related to the purchase of a replacement primary residence, and
- Complete relocation within one-hundred and twenty (120) days, subject to extensions for good cause.

10.6 Post-Relocation Activities

In the event that the applicant's property has not already been demolished and cleared, the Program will demolish and clear the site of the applicant's home after relocation and will perform all necessary environmental remediation or mitigation activities.

10.7 Cooperative Obligations When Shares are Transferred to the Cooperative

If an applicant transfers their shares back to the cooperative in conjunction with relocation, the cooperative must agree to the following conditions:

- The cooperative must agree to the demolition of the applicant's home and it must cooperate with the Program during demolition,
- The cooperative must agree that the shares will be resold for par value,
- The cooperative must agree to sell the shares via a lottery that is advertised to the public, and
- The cooperative must agree that the property will be redeveloped as a single-family residence.

11 Resettlement Incentives

In order to facilitate the purchase of properties by the City and in order to enable the long-term recovery of property owners who are impacted by participation in the City's Acquisition, Buyout or Cooperative Relocation options, the City will combine its Acquisition, Buyout or Cooperative Relocation offers with Resettlement Incentive payments, which are described as "housing incentives to resettle in disaster-affected communities" in section VI(A)(29) of the HUD March 5, 2013 Notice (78 FR 14345).

Resettlement Incentives will include, but are not limited to, funding provided to eligible homeowners to relocate to a new primary residence. The City is offering Resettlement Incentives to eligible applicants in order to address the high cost of purchasing replacement housing in New York City, particularly for low to moderate income homeowners whose homes have low pre-storm values, and to incentivize resettlement outside of the 100-year floodplain. The City is also providing Resettlement Incentives as an alternative to the construction options outlined above because of the unique challenges that exist with elevating and reconstructing homes in New York City's impacted communities, including factors such as difficult site conditions and the high cost of complex construction projects. Accordingly, the incentives are also sized in a manner to encourage applicants to participate in the Program's Acquisition, Buyout or Cooperative Relocation options as an alternative to participating in one of the Program's construction pathways.

12 Base Resettlement Incentive

Owner-occupied homes that are purchased by the Program through its Acquisition option are purchased at the post-storm value of the land and the Sandy-damaged structure. The Program has determined that the post-storm value is insufficient to allow owner-occupants to purchase replacement housing that is comparable to their storm-damaged property. This incentive is provided to all eligible applicants who sell their owner-occupied properties to the Program in order to encourage them to participate in the Acquisition pathway and to assist such applicants in locating and acquiring replacement housing.

The amount of the Base Resettlement Incentive is established by the Program for each applicant and it is the Program's reasonable estimate of the amount of funding that the applicant must receive so that they can purchase replacement housing that is similar to their pre-storm housing. The Base Resettlement Incentive was previously known as the Program's "Acquisition with Relocation Benefit".

12.1 Base Resettlement Incentive Eligibility Criteria

Properties receiving the Base Resettlement Incentive must meet the following eligibility criteria. Please refer to the Build It Back Single-Family Policy Manual for further information regarding eligibility criteria not detailed in this manual.

- The applicant must meet the Programs Acquisition eligibility requirements and must sell their storm-damaged property to the Program,
- The applicant must have owned the property at the time of Sandy,
- The applicant must meet the Program's Citizenship or Qualified Immigrant requirements,
- The property must have been the applicant's primary residence at the time of Sandy or it must be the applicant's current primary residence,
- The structure must have been owner-occupied at the time of Sandy,

12.2 Base Resettlement Incentive Benefit

The Program purchases properties through its Acquisition option for the post-storm value of the land, residential structure(s) and any other improvements as determined by an appraisal. This amount is known as the "property purchase" amount. For most applicants, the property purchase amount is lower than the pre-storm value of the home because the home was damaged by Hurricane Sandy and property values have not increased at a rate that is sufficient to offset the diminution in value. Accordingly, providing applicants with a property purchase amount that is less than the pre-storm value of their home will not allow them to purchase a home that is comparable to the home that was damaged in Sandy. This problem is further exacerbated by factors such as ever-increasing housing costs and other costs associated with the purchase of a new home.

12.2.1 Base Resettlement Incentive Grant Amount

In order to address an Acquisition applicant's unmet need related to the purchase of replacement housing, the Program calculates each applicants Base Resettlement Amount as the difference between the applicant's pre-storm property value and post-storm property value. Providing this amount will partially assist an applicant in purchasing replacement housing that is similar to the housing that was damaged by Hurricane Sandy and sold to the Program. The Base Resettlement

grant amount is then reduced by any structural loss, relocation or temporary housing disaster-related benefits received by the applicant that have not already been spent on allowable activities.

12.2.2 Coordination of Benefits

12.2.2.1 Benefits Counted as Duplicative

The Base Resettlement Incentive is calculated in conjunction with calculating an applicant's eligible Acquisition property purchase amount. The following benefit types are considered duplicative and shall be considered when calculating the Base Resettlement Incentive. Please refer to the Build It Back Single-Family Policy Manual for further information.

- FEMA Individual Assistance (IA) Repair and Replacement
- FEMA National Flood Insurance Program (NFIP) Structural Loss
- Private Insurance Structural Loss
- FEMA Increased Cost of Compliance
- Empire State Fund (ESF)
- Disaster Homeownership Repair and Rebuilding Fund (DHRRF)
- Other Philanthropic Assistance Specifically Intended for Repair or Replacement
- Build It Back Reimbursement, Repair and Rebuild
- FEMA Individual Assistance (IA) Temporary Housing or Temporary Rental Payments
- Private Insurance Additional Living Expense Assistance (ALE)

12.2.2.2 Treatment of Small Business Administration (SBA) Loans

The Program treats small Business Administration (SBA) disaster loans as liens when calculating an applicant's final benefit amount. Accordingly, the final property purchase amount received by an applicant will be reduced by any unpaid SBA loan principal and interest amounts at the time of closing. SBA loan principal amounts that are repaid prior to closing are not considered duplicative. Applicants that have received SBA Relocation loans are not eligible for Acquisition or Buyout assistance due to the requirements that SBA places on properties with relocation liens.

12.2.2.3 Allowable Activities

If the applicant received potentially duplicative assistance, the Program must determine if such assistance was spent on allowable activities. Refer to the Build It Back Single-Family Policy Manual for further information regarding allowable activities.

12.2.3 Limitations on Total Acquisition and Base Resettlement Benefit Amounts

An applicant's Base Resettlement Incentive amount, together with their Acquisition property purchase amount, shall also not exceed \$729,750. For multi-unit properties, the Base Resettlement Incentive amount shall not exceed the difference between the property purchase payment amount and the one-unit 2013 FHA Mortgage Limit of \$729,750.

12.3 Resettlement Requirements

When the applicant accepts a Base Resettlement Incentive benefit as a component of an Acquisition grant, the applicant must purchase a replacement primary residence within one-hundred and twenty (120) days of receiving such assistance. The Program may grant extensions for good cause. The Base Resettlement Incentive benefit shall be used to purchase a replacement primary residence and to pay for costs associated with locating and purchasing replacement primary residence. Acquisition applicants receiving a Base Resettlement Incentive

grant must obtain and maintain flood insurance in an amount at least equal to the amount of the Resettlement Incentive or to the maximum limit of coverage made available, whichever is less, on their new primary residence if that property is located in a Special Flood Hazard Area (SFHA). Acquisition applicants that do not receive the Base Resettlement Incentive have no requirement to purchase flood insurance, although other requirements may apply, such as if the applicant's new primary residence was purchased using funds from a federally-backed mortgage.

13 Supplemental Resettlement Incentives

The Program has determined that it is necessary to offer Acquisition, Buyout and Cooperative Relocation assistance together with additional Resettlement Incentives to certain applicants whose homes cannot be repaired or rebuilt in a safe, cost effective or feasible manner. These additional incentives are intended to encourage applicants who are otherwise eligible to receive a construction benefit to sell their homes to the City or to choose an alternative pathway that allows the City to deliver a construction benefit on an alternate site. The Program has determined that the use of this alternative strategy will speed the delivery of assistance to applicants and that it will result in overall cost savings.

13.1 Supplemental Resettlement Incentives

The Program will offer Supplemental Resettlement Incentives to applicants whose projects meet the eligibility criteria defined below. The purpose of these incentives is to encourage applicants to sell their homes through Acquisition, Buyout or Cooperative Relocation rather than proceeding with construction through Build it Back. The incentives are also intended to defray the high cost of purchasing replacement housing in New York City, encourage resettlement within the City, encourage resettlement outside of the 100-year floodplain and to encourage homeownership by low to moderate income households.

13.2 Identification Criteria

Applicants may not apply to receive supplemental resettlement assistance from Build It Back. Instead, the Build It Back Program offers this assistance to applicants whose construction projects meet certain objective identification criteria. Applications must meet each of the following criteria:

- The applicant must have been eligible to receive elevation or reconstruction assistance prior to September 23, 2016.² Applicants that had already withdrawn from a construction pathway³ to pursue Acquisition, Buyout or Cooperative Relocation prior to this date are not eligible to receive supplemental resettlement assistance;
- The applicant's property must not contain a structure that is physically attached to another structure unless the owner(s) of all adjacent attached structures are also participating in Build it Back and the Program determines that it the disposition of the applicant's property is feasible; and
- The Program must determine that construction has not yet started or that construction has not progressed to a point where significant Program funded work will be destroyed when the structure is demolished.

13.3 Eligibility Criteria

Properties receiving supplemental resettlement assistance must meet the following eligibility criteria. In addition to these criteria, each type of supplemental resettlement assistance has its own criteria that must be met in order to access the incentives.

² This is the date the City first published its proposed Action Plan Amendment 12 which announced the City's intent to offer Supplemental Resettlement Assistance.

³ "Construction pathway" is defined as a pathway in Build it Back that would result in the applicant receiving construction assistance. This includes Rebuild Relocation and Rebuild Resettlement assistance.

- The applicant must meet the eligibility criteria for Acquisition, Buyout or Cooperative Relocation as defined in this manual;
- The applicant must meet all of their obligations under the Program’s Acquisition, Buyout or Cooperative Relocation options, including executing their grant agreement and completing the sale of their property to the Program, if applicable;
- The property that is the subject of the application must contain at least one owner-occupied dwelling unit;
- The applicant must purchase a new residential dwelling unit or “home” that meets the Program’s compliance requirements; and
- The applicant must complete the purchase of a replacement residential dwelling unit within one-hundred and eighty (180) calendar days of the date of their Acquisition or Buyout closing date or the date that they executed their Cooperative Relocation grant agreement, subject to reasonable extensions for cause. Extensions are limited to the earlier of one (1) year from the aforementioned dates or June 30, 2018.

13.4 Compliance Requirements for New Residential Dwelling Units and Homes

In order to be eligible for supplemental resettlement assistance, an applicant receiving Acquisition, Buyout or Cooperative Relocation assistance through the Program must purchase a replacement residential dwelling unit as defined herein. The Program defines a “residential dwelling unit” as a house, individual condominium unit, individual cooperative unit, manufactured home or modular home. Applicants are not eligible to receive supplemental resettlement assistance in the following cases:

- The applicant relocates to a unit that they are renting, including “rent to own” units;
- The applicant relocates to a unit that they are leasing, including “lease to own” units;
- The applicant relocates to a motor vehicle such as a motor home or recreational vehicle;
- The applicant purchases undeveloped land which does not contain a residential dwelling unit upon it at the time of purchase, even if the applicant intends to build upon the land after purchase;
- The applicant purchases a non-residential unit or commercial property with the intent to convert it to a residential unit; and/or
- The applicant purchases a mixed-use property.

Applicants must demonstrate compliance with this requirement by providing documentation to the Program such as a copy of a real estate listing, surveys, appraisals or closing documents.

Additionally, applicants must certify the following:

- The Prior Residence was not a second home, as defined in IRS Publication 936, nor is the New Residence intended to be used as a second home;
- The Owner will use the Resettlement Incentive for the purchase of a primary residence;
- There will be no terms or understandings between the Owner and the seller of the New Residence or their respective representatives concerning the sale, other than those expressly set forth in the purchase agreement;
- Neither the Owner nor any of the Owner’s representatives will be a party to any agreement, oral or written, express or implied, pursuant to which the seller of the New

Residence will be able to regain ownership of the New Residence following the consummation of the Owner's purchase, or that would allow the seller to remain in possession of the New Residence, whether as tenant or otherwise;

- The Owner will not receive any proceeds from the sale of the New Residence.

13.5 Resettlement Incentive Calculation for Cash Purchases

Effective January 8 2018, the Program will perform a post-storm appraisal upon cash purchases, i.e., properties that are purchased by applicants without financing. The purpose of this appraisal is to verify that the purchase price is not artificially inflated above Fair Market Value in order to increase the amount of incentives an applicant would be eligible to receive. The maximum Supplemental Resettlement Incentives will be capped at an amount equal to 10 percent above the appraised value of the replacement home. In cases where an applicant finances a purchase, this due diligence is performed by the lender and a Program appraisal is not required. The Program evaluates each of these instances on a case-by-case basis. For any exceptions to this policy, documentation describing the reason for the exception must be provided.

13.6 Types of Supplemental Resettlement Incentives

Applicants that meet the threshold identification and eligibility criteria identified above may choose to access one or more of the incentives outlined below. The Program will determine which incentives an applicant is eligible to receive based upon the applicant's decisions regarding resettlement and the applicant's household income.

13.6.1 NYC Residency Resettlement Incentive

The Program will provide a Resettlement Incentive payment of up to \$50,000 to applicants that relocate to a new home that is located within New York City.

13.6.2 Hazard Reduction Resettlement Incentive

The Program will provide a Resettlement Incentive payment of up to \$50,000 to applicants that relocate to a new home that is located outside of a Special Flood Hazard Area (SFHA) or 100-year floodplain. This incentive is available to applicants that relocate outside of New York City if the applicant's new home is located within the United States. This incentive is not available to applicants that relocate to a home that is located within the 100-year floodplain even if the home is elevated into compliance with FEMA requirements or if the residential unit is located in a multi-unit building and the unit itself is located above the building's base flood elevation. HUD requires that the City use the "latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps" when determining whether the residential unit is located outside of the 100-year floodplain.

13.6.3 Low to Moderate Income Resettlement Incentive

The Program will provide a Resettlement Incentive payment of up to \$50,000 to applicants who relocate to a new home anywhere in the United States if the applicant's household meets the Program's Low to Moderate Income (LMI) criteria. The Program will independently verify that a household meets the Program's criteria using HUD's Adjusted Gross Income (AGI) verification method. The Program will base its LMI determination upon the applicant's household's income for the most recent prior tax year. Verification may be based upon either 1040 tax forms provided

by each tax filer in the applicant’s household or by requesting a tax transcript for each tax filer from the Internal Revenue Service.

Table 1: Supplemental Resettlement Incentives Overview

Purchase Conditions			Resettlement Incentives Available			Total Maximum Incentive Payment
<i>New Home Located in NYC?</i>	<i>New Home Located Outside of 100-Year Floodplain?</i>	<i>Household is Low to Moderate Income?</i>	<i>NYC Residency Incentive</i>	<i>Hazard Reduction Incentive</i>	<i>LMI Incentive</i>	
Yes	Yes	Yes	\$50,000	\$50,000	\$50,000	\$150,000
Yes	Yes	No	\$50,000	\$50,000	\$0	\$100,000
Yes	No	Yes	\$50,000	\$0	\$50,000	\$100,000
Yes	No	No	\$50,000	\$0	\$0	\$50,000
No	Yes	Yes	\$0	\$50,000	\$50,000	\$100,000
No	Yes	No	\$0	\$50,000	\$0	\$50,000
No	No	Yes	\$0	\$0	\$50,000	\$50,000
No	No	No	\$0	\$0	\$0	\$0

13.6.4 Resettlement Moving Expense Incentive

Applicants that relocate to a new home within New York City and/or outside of the 100-year floodplain may also receive direct assistance from the Program to defray the cost of moving furniture and household goods to their new home. The amount of assistance to be provided will be based upon the Fixed Residential Moving Cost Schedule approved by the Federal Highway Administration. The Program calculates the amount of assistance that will be made available by determining the number of rooms of furniture that were moved from the applicant’s original home prior to Acquisition by the Program. Applicants that have already received moving expense assistance from the Program because they were in a construction pathway are not eligible to receive a Resettlement Moving Expense incentive payment.

Table 2: Resettlement Moving Expense Incentive Amounts

Number of Furnished Rooms	1	2	3	4	5	6	7	8 or More
Moving and Storage Payment	\$600	\$800	\$1,000	\$1,200	\$1,400	\$1,600	\$1,800	\$2,000

13.6.5 Limits on Total Assistance Provided

The Program limits the total amount of assistance that it will provide to an applicant that receives Supplemental Resettlement Incentives. The total amount of assistance, including all amounts paid for Acquisition, Buyout, Cooperative Relocation, Resettlement Incentives and Resettlement Moving Expenses, together with any Build it Back reimbursement for completed repairs and any unspent disaster recovery benefits received from other sources that were intended for home repair, home replacement or temporary housing, may not exceed the total purchase price of the applicant's new home plus certain closing costs. The total amount of assistance shall also not exceed the one-unit 2013 FHA Mortgage Limit of \$729,750. This limit shall apply even if the property purchased by the Program as an Acquisition or Buyout had more than one residential unit on it and was subject to a higher maximum assistance limit.

13.7 Timing of Resettlement Incentive Payments and Post-Closing Verification

13.7.1 Purchase of a New Home Prior to Sale to the City

If an applicant purchases a replacement home prior to selling their Sandy-damaged home to the City, the Program will review the applicant's closing documents to verify that the purchase was completed and to determine the total Supplemental Resettlement Incentives amount that the applicant is eligible to receive. Upon verification, the Program will provide the eligible Supplemental Resettlement Incentives amount directly to the applicant upon completion of the sale of the applicant's Sandy-damaged home to the City.

13.7.2 Purchase of a New Home After Sale to the City

If an applicant purchases a replacement home after selling their Sandy-damaged home to the City, the Program will verify eligibility to receive supplemental resettlement assistance prior to an applicant's purchase of a new home based upon documentation submitted by the applicant that demonstrates the applicant's intent to purchase replacement housing and the anticipated cost of the replacement housing. After determining the amount of assistance that an applicant is eligible to receive, the Program will provide the funding directly to the appropriate closing agent for disbursement at closing. Applicants must submit final closing documentation to the Program after the purchase is complete. The Program will review the applicant's documentation and will determine if any recapture is required due to an overpayment or a change in eligibility for assistance.

13.8 Post-Closing Reimbursement for Closing Costs

The Program is not able ascertain the exact amount of closing costs prior to a closing because some closing costs, such as property taxes, are calculated at the time that the closing takes place. In order to address this timing issue, the Program performs two calculations:

- Calculation 1: Prior to closing, the Program performs a maximum benefit calculation based upon the purchase price of the applicant's new home. This provides the basis for the payment that is made at the applicant's closing.
- Calculation 2: If, after closing, the Program determines that the applicant has any unused resettlement incentive amounts available to them, the Program will perform a second calculation to determine if the applicant is eligible for a post-closing

reimbursement for eligible closing costs. Applicants must submit documentation for each claim to the Program.

The Program has determined that the following closing costs are eligible for post-closing reimbursement:

- Buyer's Transfer Taxes
- Buyer's Property Taxes
- Buyer's Recording Fee
- Buyer's Application Fee
- Buyer's Appraisal Cost
- Buyer's Attorney Fee
- Buyer's Title Closer Fee
- Buyer's Escrow Fee
- Buyer's Home and/or Pest Inspection Fee
- Buyer's Survey Fee
- Buyer's Homeowner's Association Fee
- Buyer's Homeowner's Insurance Premium
- Buyer's Flood Insurance Premium
- Buyer's Title Search or Exam Fees
- Buyer's Lender's Title Insurance

13.9 Resettlement Incentive Grant Agreement

Prior to receiving supplemental resettlement assistance, the applicant must execute a grant agreement in which the applicant agrees to use all Resettlement Incentive funds that are provided by the Program on eligible resettlement expenses. If the applicant's new home is located in a Special Flood Hazard Area or 100-year floodplain, the applicant must agree to obtain and maintain flood insurance on the property in an amount at least equal to the amount of all Resettlement Incentives (Base and Supplemental) or to the maximum limit of coverage made available, whichever is less. The applicant must also agree to maintain ownership of their new primary residence for five (5) years.

13.10 Rebuild Relocation Incentive (No Longer Offered)

The Program, in an effort to provide creative to solutions to applicants whose homes were determined to be infeasible to construct due to site conditions, design requirements, lot size, location, cost, construction duration or other relevant factors, offered Rebuild Relocation to a limited number of applicants prior to offering Resettlement Incentives. Ultimately, the Program determined that offering the housing incentives outlined above was more practical and cost effective for the Program. The Program ceased offering Rebuild Relocation on September 23, 2016, when it began offering Supplemental Resettlement Incentives.

The Rebuild Relocation option was offered to applicants when the repair or reconstruction of their home was infeasible or unavailable because of factors such as site conditions or other constraints. Rebuild Relocation was designed to provide eligible applicants with a "lot swap" and the construction of a replacement primary residence for the applicant in a new location on land that was owned by the City, land that was obtained through the New York City or New York State Acquisition Programs, or land that was purchased for resettlement. Applicants receiving Rebuild Relocation are not eligible to receive any acquisition or relocation funds from the Program.

14 Miscellaneous Provisions

14.1 Severability

Every process or procedure documented in this Manual or in any guidance issued pursuant to this Manual's procedures is severable. If any provision (or application of any provision) of this Manual (or guidance issued pursuant to this Manual) is deemed invalid, illegal, or incapable of being enforced to any extent, the remainder of the Manual or guidance will not be affected. All valid applications of this Manual (or guidance issued pursuant to this Manual) shall be severed from any applications deemed invalid, leaving the valid applications in full force.

14.2 Saving Construction

This Manual, and all guidance issued pursuant to its provisions, is intended to be implemented up to but no further than the maximum possible extent consistent with the federal, state, and local laws that govern the Program, even if a construction permitting such implementation is not readily apparent, as such constructions are authorized only to the extent necessary to save the Manual and any guidance issued pursuant to its provisions from invalidation.

15 References

- New York City CDBG-DR Action Plan and Amendments
- New York City Build It Back Single-Family Policy Manual
- NYC Build It Back Tier One Environmental Review and Revisions
- OMB Compliance Manual
- Single-Family Compliance and Monitoring Plan
- NYC Build It Back Section 3 Plan
- Minimum Program Standards
- Language Access Plan
- UD CDBG Allocations, Waivers and Alternative Requirements – Federal Register Notice
- 79 FR 5969, March 5, 2013
- Action Plan for Disaster Recovery Waiver and Alternative Requirements
- Citizen Participation Waiver and Alternative Requirements
- Waiver of Requirements under 42 U.C.C. 5306
- Consolidate Plan Waiver
- Overall Benefit Waiver and Alternative Requirement
- Waiver and Alternative Requirement
- Recordkeeping
- Change of Use of Real Property-Applicable to State Grantees only
- Program Income Alternative Requirement
- One-for-One Replacement, Relocation and Real Property Acquisition Requirements
- Housing-Related Eligibility Waiver
- Building for the General Conduct of Government
- Waiver for Public Benefit Standard for Economic Development Activities Designated to Create or Retain Jobs or Business
- Waiver and Modification of the Job Relocation Clause to Permit Assistance to Help a Business Return
- Certification Waiver
- Guidance for Changing Pre-Award Costs of Homeowner, Business, and Other Qualifying Entities to CDBG Disaster Recovery Grants, Notice CPD-13-05, July 30, 2013
- 24 CFR Part 58.15
- 40 CFR Part 745 and Title X of the 1992 Housing and Community Development Act
- 24 CFR § 570.505
- 24 CFR 91 Citizen Participation Plan
- 24 CFR § 570.486(a) (7) Housing and Urban Development Community Block Grant Local Government Requirements
- Appendix G of the 2008 NYC Building Code

16 Substantive Changes from Previous Version

New York City Build It Back Single-Family Acquisition, Buyout, Cooperative Relocation and Resettlement Incentives Policy Manual Version 2.0 is a substantial rewrite of the previous version with the goal of providing additional details on existing policies and to announce new Program policies. Please review all sections that are relevant to you to ensure that you have the most up to date information. Future versions of this Manual will contain a detailed change log that notes changes from this version.