

NCSHA 2016 Annual Awards Entry Form

(Complete one form for each entry)

Deadline: Wednesday, June 15, 2016

Visit ncsha.org/awards to view the Annual Awards Call for Entries.

Instructions: Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact awards@ncsha.org or 202-624-7710.

Fill out the entry name *exactly* as you want it listed in the program.

Entry Name: _____

HFA: _____

Submission Contact: (Must be HFA Staff Member) _____ **Email:** _____

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

Use this header on the upper right corner of each page:

HFA: _____

Entry Name: _____

Select the appropriate subcategory of your entry and indicate if you are providing visual aids.

Communications	Homeownership	Legislative Advocacy	Management Innovation
Annual Report	Empowering New Buyers	Federal Advocacy	Financial
Creative Media	Encouraging New Production	State Advocacy	Human Resources
Promotional Materials and Newsletters	Home Improvement and Rehabilitation		Operations
			Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
Encouraging New Production	Combating Homelessness	Special Achievement	Yes
Multifamily Management	Housing for Persons with Special Needs		No
Preservation and Rehabilitation			

Middle-income housing is an essential component of any strategy to promote long-term community revitalization and economic diversity throughout New York City’s neighborhoods. The City needs programs that can accommodate a range of households at different income levels. Teachers, fire fighters, and police officers are just some of the many people critical to our growing economy, and they help to make up the backbone of our society. The City is only improved when these middle income workers can afford to raise their families within the five boroughs. Further, programs designed to reach middle-income families sometimes are necessary either to keep those households in neighborhoods that are becoming more expensive, or to encourage middle-income households to move into and help diversify developing neighborhoods. We want to ensure that every neighborhood in the City is an inclusive environment for households of all incomes to live, work, and play.

Producing middle-income housing can also be a finance tool to cross-subsidize more deeply affordable units. A mixed-income model is more economically feasible than 100 percent middle-income developments, which are costly to subsidize and may not do enough to promote income diversity. Under mixed-income structures, the tax credit equity and tax-exempt bond financing generated by the low-income units benefits the financing of the entire project; in turn, the higher middle-income rents create enough cross-subsidy to enable the low-income units to provide deeper affordability to very low-income households at 50 percent of Area Median Income (AMI) and 40 percent of AMI (rather than 60 percent of AMI; which is the income level achieved by most tax credit projects).

HDC recently introduced a new mixed-income program – the Mix and Match Program – with the purpose of encouraging new production of workforce housing for middle-income New Yorkers while simultaneously creating income-diverse neighborhoods.

The Mix and Match Program provides economic diversity in the City’s neighborhoods by producing affordable units, which as its program name suggests, serve a variety of income levels. This model ensures more low-income units (50% of the project) while also providing moderate- or middle-income units. In neighborhoods where rents are expected to increase in the future, the rents for the moderate- or middle-income units will be preserved at affordable levels while market rents in the area will continue to escalate.

HDC believes that the Mix and Match Program is a replicable model that serves a common need for producing income diverse neighborhoods as mandated by the federal government. The program is applicable to other cities and states in that fair housing context and the financing structure is replicable. HDC’s senior finance officers would be pleased to answer any specific questions or meet with the executives of other HFAs to further discuss the program and how it could be replicated and adapted to meet other local needs.

Since June 2015, HDC has financed 3 developments with 485 units of affordable housing using the Mix and Match Program. The financing structure and affordability structure of the Mix and Match Program are described below. Also included are summaries of the three projects financed under the Mix and Match Program.

Mix and Match Program

Financing Structure

HDC’s Mix and Match Program combines a first mortgage, funded with proceeds from the sale of variable or fixed rate tax-exempt bonds, with a second mortgage, funded with HDC corporate reserves and a third mortgage subsidy loan from the NYC Housing Preservation and Development (HPD). These funding sources are combined in accordance with the guidelines below, to finance multi-family rental housing affordable to a diverse spectrum of low, moderate and middle- income families.

The tax-exempt first mortgage may be financed with a combination of “private activity” bonds, which may qualify the low-income units for as-of-right “4%” Federal Low Income Housing Tax Credits (LIHTCs), and/or “recycled” bonds, which provide a tax-exempt rate for the moderate and middle-income units. It is HDC’s preference that projects will receive private activity bonds to meet the 50% test on the low-income units only and the balance of the loan may be financed with recycled bonds. These first mortgages are also credit enhanced by a long-term credit enhancer.

Both HDC and HPD contribute subsidy to the second and third mortgages. These subsidy levels are set on a per-unit basis based on a variety of factors including affordability levels, land costs, and services provided. The mortgages will be subordinate to the credit-enhanced HDC first mortgage.

Affordability Structure

Under this initiative, 50% of the units are affordable to low-income households earning up to 60% of AMI and the other 50% of units are affordable to moderate/middle income households with incomes not to exceed 165% AMI. Projects may have a range of affordability tiers.

Project Summaries (All three developments are currently under construction.)

Tremont Renaissance (construction financing closed Dec. 2015)

Tremont Renaissance is a 12-story, 256-unit new construction development will be located in the East Tremont neighborhood of the Bronx. 129 of the residential units will be affordable to households at or below 60% of AMI. There will be 89 residential units affordable to households making at or below 100% of AMI (with rents set at 80% of AMI) and 37 residential units affordable to households making at or below 120% of AMI (with rents set at 90% of AMI). There is one superintendent’s unit. The development will also include approximately 40,000 square feet of commercial space. The funding includes a \$32.7 million HDC First Mortgage, a \$16.5 million HDC Second Mortgage from our Corporate Reserves and an \$18.9 million HPD Third Mortgage.

Beach Green North (construction financing closed June 2015)

Beach Green North is a 7-story, 101-unit new construction development that will be located in the Edgemere neighborhood of Queens. Excluding the superintendent’s unit, 24 residential units will be affordable to households at or below 50% of AMI, 26 residential units will be affordable to households at or below 60% of AMI and 50 residential units will be affordable to households making less than 100% of AMI (with rents set at 80% AMI). Located in an area that was heavily inundated during Hurricane Sandy, the development will have a number of resiliency measures including elevated mechanical rooms and solar panels and a co-generation hot water heater that will serve as emergency power sources. The funding includes a \$14.4 million HDC First Mortgage, a \$4 million HDC Second Mortgage from our Corporate Reserves and a \$7.7 million HPD Third Mortgage.

Compass 2A (construction financing closed June 2015)

Compass 2A is a 12-story, 128-unit new construction development that will be located in the Crotona Park East neighborhood in the Bronx. This development is part of the second phase of the Compass Residences Development which will ultimately add more than 1,000 affordable units to the area. 64 of the residential units will be affordable to households at or below 60% of AMI. (8 of these units will be targeted to homeless families at much lower AMI levels.) The remaining 64 units will be affordable to households making less than 90% of AMI (with rents set at 80% AMI). The funding includes a \$7.8 million HDC First Mortgage, a \$10.24 million HDC Second Mortgage from our Corporate Reserves and a \$10.24 million HPD Third Mortgage.