



Will Economic Stimulus Plan Really Help New York?

The current debate on the economic stimulus package between the House and Senate has raised a great deal of confusion about how the funding will actually help revitalize our economy. While the figures currently available are obviously subject to change as negotiations on the stimulus package work through the approval process in Congress, recent changes in the draft legislation have raised dismay, compared to early proposals.

As an example, the latest information available indicates that all of the additional HOME program funding would be made available to New York State, not to the other individual Participating Jurisdictions

such as the North Country HOME Consortium. Nationally, \$2 billion of the expected \$2.225 billion in HOME funds would be reserved for capital investment in low income tax credit rental projects that are currently in development, and need additional funds in order to be completed by their developers. DHCR and the Housing Finance Agency expect to use New York's share in this manner. This strategy would address the stalled tax credit projects that have been impacted by the recent stagnation of the tax credit market. This means that only \$225 million will be available nationally for the more traditional HOME-funded activities, such as owner-occupied rehabilitation, or first time homebuyer assistance (both of which could have a positive impact on communities that are being devastated by the home foreclosure crisis).

Speaking of the foreclosure crisis, NSP will not receive

funding in the stimulus bill. At the same time, on February 4th an amendment was added to the Senate package by voice vote making \$35 billion available to support a tax credit of up to \$15,000 for anyone buying a home in the first year of the program. The tax credit would equal 10% of the purchase price, taken over a 2 year period, maximum. A household would need an income of \$81,000 to take full advantage of the tax credit in a two year period, according to the National Low Income Housing Coalition.

On February 6th, 42 national organizations released an open letter to Congress and the Administration decrying the lack of attention to housing for low income families in this legislation, while giving new subsidies to homeowners without regard to income or NEED. The groups urged the House and Senate to approach conference negotiations with an eye toward balancing the long-standing and unmet need for decent, affordable housing with the desire to include costly fixes for a homeowner market still in flux that will benefit higher income households who have many other options. The funding proposed for this tax credit is more than double the total amount the bill allocates for low

Save The Dates!

Be a part of the lobbying effort to save state funding in the upcoming budget struggle. The 2009 housing lobby days have been scheduled in Albany:

February 24th- Legislative Action Day- a joint effort to support urban and rural housing programs. Sponsored by the Neighborhood Preservation Coalition of NYS (www.npcnys.org).

March 9th- Housing Lobby Day- support rural housing programs such as Rural Rental Assistance, RARP, RPC, Affordable Housing Corporation, and Main Street. Sponsored by the New York Rural Advocates (ruraladvocates@gmail.com).

RD

Rural Delivery

Rural Delivery is published by the
New York State Rural Housing Coalition, Inc.

The Coalition is a non-profit statewide membership organization dedicated to strengthening and revitalizing rural New York by assisting housing and community development providers.

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Bits and Pieces...

Grant Training To Be Held In Binghamton

The Grantsmanship Center and the Cornell Cooperative Extension of Broome County will be hosting a Grantsmanship Training Program on March 2nd-6th in Binghamton. The class for this training will be limited to 30 participants. Tuition is \$895 per person. To register, call the Grantsmanship Center at (800) 421-9512.

Homelessness Committee Co-Chair to be Number 2 at HUD

The Administration has nominated Ron Sims, a county executive of King County Washington, to be HUD's Deputy Secretary, the second highest-ranking position there. Sims serves as co-chair of the Committee to End Homelessness in King County. He will have to be confirmed by the Senate before taking his position, which involves overseeing HUD's day-to-day operations.

Enterprise Foundation Sponsors Webinars

The Enterprise Foundation will host 2 webinars on developing green communities in February. The session on February 19th will discuss 'Pushing the Envelope', exploring cost effective design and construction practices to create energy-efficient, durable building envelopes. The session on February 20th will cover 'Engaging Your Energy Consultant in a Whole-Building Energy Analysis.' These sessions are appropriate for developers of single family as well as multifamily housing units. Both 90 minute webinars begin at 2:00 PM.

For more information, or to register, visit www.enterprisecommunity.org/training%5Fand%5Fevents/live_online_events/.

Federal and U.S. military employees can support the Rural Housing Coalition through the annual Combined Federal Campaign (CFC). If you are a federal government or military employee and would like to donate through the CFC, please enter CFC code #9614 on your pledge card during the next fund drive.

Recession To Increase Homelessness

The number of people experiencing homelessness increases during recessions. Increasing numbers of unemployed people are unable to afford rent, and charities and local governments are unable to keep up. Based on the projected increase of persons in deep poverty- those earning one-half of the poverty level- the National Alliance to End Homelessness has released a paper estimating that approximately 866,000 additional Americans will experience homelessness at some point during each of the next two years. In other words, without intervention, an additional 1.5 million Americans will experience homelessness in 2009 and 2010.

In recent years, communities have rapidly increased their knowledge of how to address homelessness and have focused efforts around reducing and ending homelessness through prevention and rapid re-housing programs. The Alliance advocates that, for the two-year period beginning in early 2009, the federal government invest \$2 billion for homelessness prevention and rapid re-housing, 400,000 additional Section 8 vouchers, and \$10 billion for the National Housing Trust Fund.

Finance Companies Seek Bail-out Funds

A February 5th letter from the CEO of the American Financial Services Association (the trade association for finance companies) to President Obama seeks federal TARP bail-out assistance for finance companies. It also seeks to require banks receiving TARP investments to keep lines of credit to finance companies open.

According to activists in the National Community Reinvestment

Economic Stimulus, cont'

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and moderate income housing. Simply put, the housing elements of the bill are now heavily skewed towards middle and upper income people and the lowest income people are left out.

The Center on Budget and Policy Priorities notes that the homebuyer credit will be ineffective in stimulating the economy, and that a greater bang for the buck can be achieved by dropping that concept in favor of provisions that have greater economic benefit, such as the Neighborhood Stabilization Program, or CDBG funds that were stripped from the Senate proposal.

The homebuyer credit may actually cost as much as \$39 billion according to the Joint Committee on Taxation. (The cost has been widely reported as \$35.5 billion. In fact, the Joint Tax Committee estimated the cost at \$35.5 billion above the \$3.7 billion cost of a homebuyer credit provision that was already in the Senate bill and that the Isakson credit replaced.) The high cost is still more troubling because the provision is not targeted at potential homebuyers with financial need. Many of the families that would be able to claim the credit do not need an additional \$15,000 to buy a home. The families most likely to benefit from the credit are among those who are suffering least from the recession, as they would need to have sufficient current income to qualify for a new mortgage. These families would, for the most part, essentially use the tax credit to increase their savings (relative to what their savings otherwise would be) by withdrawing less from their savings than they otherwise would to purchase a home (or by taking out a smaller mortgage). The tax credit thus would stimulate relatively little new spending and is likely to be one of the least effective measures in the overall recovery package per dollar of cost.

Another issue is that most of the additional home sales that would occur as a result of the credit are sales of existing homes. A recent National Association of Home Builders' analysis of the impact of a homebuyer tax credit estimated that fewer than 1 in 5 of the homes purchased as a result of the credit would be newly constructed. The \$16 billion in funding for school construction that the Nelson-Collins amendment removed from the Senate recovery package would likely create many times the number of jobs that the \$39 billion Isakson tax credit would.

For more on these issues, visit www.cbpp.org/2-9-09hous.htm.

Coalition, even prior to the predatory-lending triggered meltdown, NCRC members were documenting to the Federal Reserve that big banks were financing and enabling payday lending and other subprime finance firms. Now AFSA proposes to make continuing such lending a condition for banks actually receiving TARP funds under the bank bail-out.

AFSA's board of directors includes a representative from a

South Carolina-based company that has been described as "below-subprime" by **SmartMoney**, and as making "small, expensive loans to paycheck-to-paycheck types, mostly in Southern states." ASFA justifies the request because 45% of non-mortgage debt is provided by finance companies.

The AFSA letter can be found at www.innerecitypress.com/tarp1afsa020509.PDF.

NYSERDA Funding

Opportunity

The New York State Energy Research and Development Authority (NYSERDA) seeks to support the growth and development of clean energy companies in New York State by supporting business activities that enable their expansion. Clean energy includes energy and power generation from renewable resources, as well as energy efficient technologies in the power generation, energy storage, transportation, industrial, or building sectors that use alternative fuels or reduce the consumption of fossil fuels and provide environmental benefits. These technologies may be full systems or components of systems.

For more information, visit NYSERDA's website at www.nyserda.org/funding/1260pon.asp.

Laura Jane Musser Fund

The Laura Jane Musser Fund is calling for applicants for their Environmental Initiative Program. The focus of this program is to fund environmental stewardship projects in rural areas that draw upon collaborative efforts in a community. Non-profit organizations and local units of government are eligible to apply for grants of up to \$35,000. For more information on the Laura Jane Musser Fund or previously awarded projects, visit www.musserfund.org/enviro.php.

VA Homeless NOFAs Released

The US Department of Veterans Affairs has released a Notice of Funding Availability stating that current recipients of the VA Grant and Per Diem Special Need Grant may apply to renew their resources. The VA plans to provide approximately \$10 million for up to 35 awards. Applications are due on March 25th. Qualifying homeless veteran populations served include women (including those with minor dependents), frail elderly, terminally ill, and chronically mentally ill.

Additionally, there will be approximately \$15 million available for the Capital Grants component

of the VA's Homeless Providers Grant and Per Diem Program. Under this program, resources can be used to expand existing transitional housing projects or develop new transitional housing programs. Applications for this funding are also due March 25th.

The VA has also released a NOFA for assistance under the Technical Assistant Grant component of the Homeless Providers Grant and Per Diem Program.

For more information on these funding opportunities, visit <http://www1.va.gov/homeless/page.cfm?pg=3>.

Emergency Capital Repair Grants

The Department of Housing and Urban Development has announced the availability of grant funds to make emergency capital repairs to eligible multi-family projects owned by private not-for-profit entities that are designated for occupancy by elderly tenants. The capital repair needs must relate to items that present an immediate threat to the health, safety, and quality of life of the tenants. The intent of these grants is to provide one-time assistance for emergency items that could not be absorbed within the project's operating budget and other project resources, and where the tenants' continued occupancy in the immediate near future would be jeopardized by a delay in initiating the proposed cure. The notice provides instructions for owners of multi-family projects to request

funding and instructions for the Housing and Urban Development field offices to process requests.

Private not-for-profit owners of eligible multifamily assisted housing developments are eligible to apply for this funding. A total of approximately \$9.5 million has been made available through this program. The application deadline is October 1, 2009. HUD will accept applications on a first-come, first-serve basis.

For more information, contact G. DeWayne Kimbrough, Director, Grant and Housing Assistance Field Support Division, Office of Multifamily Housing, Room 6146, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; or by phone: (202) 708-3000.

Save The Dates

The New York Rural Advocates are keeping pressure on the legislature calling for full restoration of the Preservation Programs in the next state budget. Lobby Days have been scheduled for February 24th and March 9th by the Neighborhood Preservation Coalition and the Rural Advocates, respectively, to enable this issue to be brought before the legislators. See the box on the front page of this issue for more information on how you can participate in the advocacy efforts that are so essential to keeping these programs functioning properly. Your voice needs to be heard!

The New York State Rural Housing Coalition is happy to be able to provide help wanted advertising opportunities for our members and non-profit community development agencies. Ad copy must be provided in Microsoft Word format, and may be transmitted by email to rhc@ruralhousing.org. Ad copy must comply with federal and state equal opportunity requirements to be published, and must be received by the 25th of the month to ensure placement in the succeeding issue of *Rural Delivery*. Ads provided in this fashion will also be posted in the Career Opportunities page of the Coalition's website, unless a request is specifically made not to place the advertisement online.

Executive Director

St. Lawrence County Housing Council (SLCHC), the North Country's award-winning development corporation specializing in housing rehab, property management, home ownership and other projects, seeks Executive Director with 5-7 years managerial and financial leadership experience to oversee a 13-member staff in project analysis, planning and implementation. Executive emphasis will be fund-raising and revenue diversification to build sustainability, navigate growth, and reward valued professional skills. Must enjoy managing people, pursuing multiple funds and grantwriting, external relations; interpersonal, writing, and presentation skills are essential. A related Master's degree is ideal; a Bachelors degree and solid experience will be strongly considered. SLCHC offers a competitive salary and comprehensive benefits package. Please e-mail a letter, resume, and salary requirement now to susanm@nonprofitjobs.org. EEO/AA employer. Learn about SLCHC and the North Country at www.slchc.org and <http://northcountrynow.com>. Review additional job detail by searching state of NY at www.nonprofitjobs.org.

Career Opportunities

Housing/Land Trust Program Director

The Housing Assistance Program of Essex County, Inc. is hiring a Housing/Land Trust Program Director. HAPEC is an innovative, creative, energetic and successful community-based housing organization. The ideal candidate is enthusiastic, dependable, eager to learn, and has broad-based experience in community development, housing and management. HAPEC offers a competitive benefit package, flexible hours and collaborative work environment. Salary is \$39,000 DOE.

For more information about HAPEC visit www.hapec.org. Please send cover letter, resume and writing samples to:

Housing Assistance Program of Essex County, Inc., 103 Hand Avenue, PO Box 157, Elizabethtown, NY 12932.

Position is open until filled. Please send application materials at your earliest convenience.

EOE

Loan Associate

Provides support and assistance to the Senior Loan Specialist and Loan Specialists that perform a range of lending activities: closing, disbursement, monitoring, and servicing housing development loans in the Housing Assistance Council's (HAC's) Loan Fund Division. Under the direction of the Loan Fund Director and Senior Loan Specialist, works collaboratively with Underwriting staff, Servicing staff, SHOP Program Manager, and other HAC divisions. To apply, use contact info under Senior Loan Officer listing at right.

Senior Loan Officer

The Housing Assistance Council seeks a Senior Loan Officer for the Washington, DC office. The position provides oversight and supervision to a team that perform a series of lending activities – loan underwriting, marketing, and research and product development -- in the Housing Assistance Council's (HAC's) Loan Fund Division. Develops, organizes, coordinates, recommends, and implements systems to ensure that appropriate loan underwriting due diligence is completed. Performs a variety of tasks including, but not limited to, monitoring loan commitments, conceptualizing lending policies and procedures, and providing technical assistance and training.

Required qualifications include:

- Bachelor's degree and/or five years related work experience in a financial lending or community development entity.
- Significant experience in and/or knowledge of affordable housing development processes, with emphasis in loan underwriting, deal structuring, project feasibility, and analysis of real estate loans for single- and multi family housing, rehabilitation, and preservation.
- Comprehensive knowledge and experience with standard principles related to real estate transactions, property transfers, appraisals, and collateral/security.

To apply, send a cover letter along with salary history/requirements and resume to: Karin M. Klusmann, Loan Fund Director, Housing Assistance Council, 1025 Vermont Avenue, NW, Suite 606, Washington, DC 20005.

EOE

Fannie Mae Revises Real Estate Owned Rental Policy

On January 13th, Fannie Mae announced the implementation of a national Real Estate Owned Rental Policy. The new policy will allow eligible renters living in foreclosed properties owned by Fannie Mae to remain in their homes. It will apply to all renters that occupy foreclosed properties at the time Fannie Mae acquires the property. Eligible properties include two- to four-unit properties, condos, co-ops, single family detached homes, manufactured housing, and any other type of single family property. Qualified renters will be offered the choice between a new month-to-month lease or financial assistance in transitioning to new housing. Renters will be asked to pay market rate rent if they remain in their homes. Property managers are contacting renters on behalf of Fannie Mae to notify them of their options. The new policy was expected to be fully operational by January 31st.

Small Cities/Main Street NOFA, cont'

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Counties may apply for up to \$750,000 for any kind of project. Economic development proposals are limited to \$750,000.

Approximately \$40 million is available in this funding round. Application materials may be downloaded at the OCR website at www.nysocr.org, or at the website of the Division of Housing and Community Renewal at www.nysdhcr.gov. Anyone interested in submitting an Economic Development proposal in the open round should contact OCR staff in advance by submitting an

Bill Introduced To Help Reduce Foreclosures

Representative Ellen Tauscher introduced HR 906, the Housing Disaster Area Foreclosure Prevention Act of 2009, on February 4th. The bill would allow State Housing Finance Agencies to use TARP funds to help underwrite the refinancing of underwater mortgages. An underwater mortgage occurs when the value of the property is worth less than the owners' mortgage payments.

The bill would also direct the Housing Finance Authorities in the 10 states hardest hit by foreclosures to use \$20 billion in new bonds to refinance loans in the hardest hit communities.

The bill was cosponsored by Representatives Shelley Berkley, Maurice Hinchey, Zoe Lofgren and Dennis Cardoza. Upon introduction, HR 906 was referred to the House Committee on Financial Services and House Committee on Ways and Means for further review.

initial inquiry to ensure the planned project meets program requirements.

Funding under the NY Main Street Program is available for 2009. The maximum funding available is \$200,000 per program. The deadline for submission of applications is April 24th. Applicants must be not-for-profit corporations.

Application materials are available on the DHCR website at www.nysdhcr.gov. For more information on either program, contact OCR at (518) 474-2057.

Historic Preservation Grants

The Preservation League of New York State is a private, not-for-profit organization that works to protect and enhance the Empire State's historic buildings, landscapes and neighborhoods. The Preservation League and the New York State Council on the Arts have collaborated on this grant program annually since 1993. Examples of eligible projects for this grant program include: historic structure reports for public buildings; historic landscape reports for municipal parks; and cultural resource surveys of downtowns and residential neighborhoods. In 2009, the Preservation League especially encourages projects that advance the preservation of architecture and landscapes of the recent past, preserving historic bridges and transportation corridors including rural roads, canals, and related structures. Proposed projects should also focus on preserving and continuing to use historic municipal buildings and supporting Main Street revitalization.

Municipalities and not-for-profit organizations are eligible to apply. A total of \$96,400 is available, with individual grants likely to range between \$3,000 and \$10,000 each. The deadline for submitting applications is May 4, 2009. For more information, contact the League's regional directors of Technical and Grant Programs: Eastern New York, including New York City and Long Island, Erin Tobin, 518-462-5658, or Central and Western New York, including Southern Tier, Tania Werbizky, 607-272-6510; or visit the Preservation League of New York State's Web site: www.preservenys.org.

Foreclosure Basics Online Course

Complimentary Registration Offer Extended

Since the launch of NeighborWorks first e-learning course - **Foreclosure Basics** - last fall, over 2,000 professionals have completed the course. Over 2,000 people who are now equipped with the tools and skills they need to make a difference in their communities. Have you considered this convenient, cost-effective course for yourself, your staff or your nonprofit partners?

The Coalition for Excellence in Homeownership Education is pleased to extend the offer to provide the course free of charge (the

regular fee is \$195) to Participants in the NYS Subprime Foreclosure Prevention Services Program, NYS Banking Department's Foreclosure Prevention Counseling Services Program or other foreclosure prevention services providers in New York, compliments of NYS Division of Housing and Community Renewal/ Housing Trust Fund Corporation. To register for this online course for free, visit www.nw.org/network/training/elearninghudinstr.asp. This offer of free tuition is good through September, 2009.

Notes From The HTF

The Housing Trust Fund Board met on January 13th and February 3rd. During those meetings, the board approved a total of 8 capital projects, including one public housing modernization project that was partially financed with RARP funds; 4 other RARP projects; one Urban Initiatives grant; and several grants for subprime mortgage workout assistance. CDBG Small Cities funding was awarded to 4 economic development projects in Frankfort, Hornell, Canton, and Geneva. In addition, 22 Small Cities technical assistance awards were approved.

In a program report, Gary Hallcock noted that 5 Housing Trust Fund projects had been closed recently, a particularly difficult feat during the holidays. He also noted that \$34 million in HOME funding has been spent this year, and that applications for a new round of HOME LPA funding are due in March.

In his report on the CDBG and Main Street programs, OCR head Joseph Rabito mentioned that the 2009 NOFA has been issued (deadline date is April 24th). His staff is

working to build capacity in micro-lending, as one needed response to the current economic situation in the state.

For the Main Street program, Mr. Rabito noted that the program staff have seen a 39% increase in applications for the program in the last 4 funding rounds, and a 203% increase in the amount of funding requested for the program. The current funding round included applications from non-profits and municipalities. One of the board members asked if there was legislation pending on this program, and Mr. Rabito noted that changes for the program were included in a package that was currently under consideration in the legislature. He brought to the meeting 16 funding award recommendations for a total of \$6.7 million dollars.

The Board meeting also included a presentation by the DHCR environmental staff, and unlisted Negative Declarations were approved for 3 projects, along with a Type 2 designation for a 3 unit project in Clinton County.

Energy Loan

Program Announced

Citizens Bank recently launched a new program in response to widespread consumer and community concerns about managing heating and fuel costs this winter. It is called EnergySense, and is designed to provide information and assistance, particularly for lower income families.

Some of the most exciting features of EnergySense are the enhancements to the EZ Home Improvement Loan and Energy Efficiency Loan. During the EnergySense program, both of these below-market-rate products have been enhanced to allow a 90-day deferral of the first payment and borrowers may use up to 50% of the loan proceeds for debt reduction. In addition, there are no fees or closing costs.

For more information on this loan product, contact your nearest Citizens Bank branch location or contact Erin Boggan at (518) 472-6843.

Our Apologies

We wish to apologize to our faithful readers for the delay in publication of this issue of *Rural Delivery*. Our publication schedule was pushed back this month due to circumstances that were entirely out of our control. We recognize that the information contained in this newsletter is often time-sensitive, and as a result make every effort to have it in the mail by the beginning of each month. We distribute the newsletter by regular mail, as well as email (which offers the opportunity to receive time-sensitive information a bit earlier). If you would like to be added to our email distribution list at no charge, please send your request to colin@ruralhousing.org.

Legislature Passes Deficit Reduction Plan

GOOD NEWS!

On February 2nd, the State Legislature passed a Deficit Reduction Plan based on an agreement between the Governor and legislative leaders reached earlier in the day. The action will reduce current year spending by \$1.6 billion and makes some \$800 million in cuts towards the 2009/10 budget.

The Deficit Reduction Plan **DOES NOT** cut the Rural and Neighborhood Preservation Programs. The Rural Preservation Program was cut by \$198,000 in August of 2008 and that cut will stand. The Governor's proposal to cut RPP by another \$1,075,000 was not agreed to and leaves total RPP funding for the year at about \$87,000 per group.

Please call or write your members of the Legislature and thank them for their support of the Rural and Neighborhood Preservation programs. Special thanks should be directed to Speaker Silver, Assemblyman Lopez, Senator Smith and Senator Espada.

THANK YOU! Thanks to all who wrote letters and presented/ provided testimony over the past month. It does get heard. Following up, it was gratifying to hear from legislators who HEARD US and understand our message.

More details will be available later on the RHC website at www.ruralhousing.org and the Rural Advocates Blog <http://ruraladvocates.wordpress.com/>.

CDBG And Main Street Funding Rounds Announced

The New York State Housing Trust Fund Corporation's Office of Community Renewal recently announced the availability of approximately \$40 million in NYS Community Development Block Grant funding for the 2009 Annual Competitive Round and the Open Round Economic Development Programs and approximately \$5 million in New York Main Street funding for the 2009 Round. Small Cities applications are due by COB on April 24th. Municipalities may apply for up to \$400,000 for housing programs, or \$600,000 for public facilities or joint projects.

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Visit our website at www.ruralhousing.org

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