



# Rural Delivery

New York State Rural Housing Coalition, Inc.

February, 2004

## Governor's Budget Slashes Preservation Companies (Again!)

Governor George E. Pataki proposed to increase state spending by \$1.5 billion to \$99.8 billion in his 2004/05 budget released on January 20th. According to the Division of Budget, the budget proposal reduces the State's general fund spending by a mere .04%, while spending in most programs is reduced by 5%.

The Preservation Programs, however, are cut much more deeply. The Governor proposes to reduce spending on the Rural Preservation Program by 54% from the 2003/04 appropriation of \$5.1 million. The Governor also proposes to reduce funding to the Neighborhood Preservation Program by 50%.

In her testimony to a hearing called by the Joint Fiscal Committees of the State Legislature, DHCR Commissioner Judith Calogero applauded the success of the Preservation Programs, while pointing out that the programs were once expected to achieve self-sufficiency.

The Commissioner cited the survey of Preservation Companies undertaken by DHCR last year, reporting that 20 NPCs and 8 RPCs have annual budgets over \$2.5 million, and that 40% of the RPCs have budgets in which the Preservation Program represents as little as 2.5%.

Commissioner Calogero went on to suggest that the members of the legis-

lature "might be under the misunderstanding that preservation companies only receive State support through their NPP and RPP administrative contracts..." She cited the 35% of the preservation companies that earn management fees, the 28% who receive HOME LPA administrative fees, and the 57% of preservation companies that receive funding through one of these sources or from Section 8 or Weatherization as evidence for the potential for self sufficiency.

Blair Sebastian, Executive Director of the Rural Housing Coalition, and Marlene Papa, President of the NYS Rural Advocates, each departed from their prepared remarks at the same hearing in order to counter the Commissioner's claim that these resources contribute to the self sufficiency of RPCs and NPCs.

Although the Governor did not mention housing as an issue in either his State of the State or Budget Addresses, his budget proposal would continue to fund the State's major capital programs and also provides support for the smaller capital programs created by his administration.

The budget proposal would fund the State Tax Credit program at \$2 million per year for 10 years. It also provides funding for the Homes For Working Families program at \$7 million. The Governor would fund the Housing Trust

Fund program at the 29 million dollar level, and the Affordable Housing Corporation at \$25 million, the same as last year.

In her presentation to the Legislative Committees, Commissioner Calogero also introduced two new proposals that are to be included in this year's Unified Funding round. One initiative would couple Section 8 resources with the Housing Trust Fund program in 14 counties where Section 8 utilization has been a problem. The RFP will 'invite' developers working in these counties to build or rehab units that will meet Section 8 standards and thereby offer "additional housing options for Section 8 voucher recipients".

Another element in the Unified Funding RFP would provide support to mixed income projects where 40% of the units would be affordable to households below 60% of area median income.

Advocates have already begun gearing up for a fight to restore full funding of the Preservation Programs. Nancy Berkowitz, the staff of the NYS Rural Advocates, reports that registrations are coming in for the organization's annual Legislative Conference on February 9th and 10th. Berkowitz points out that a good turnout at the Conference is "essential for gaining the momentum we will need to save these important programs". *(see story pg. 3)*

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**Rural Delivery**

Rural Delivery is published by the New York State Rural Housing Coalition, Inc. a nonprofit membership organization. The Coalition is a statewide membership organization dedicated to strengthening and revitalizing rural New York by assisting housing and community development providers. Rural Delivery has a distribution of 255 copies per issue.

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## Bits and Pieces...

### Trainings Upcoming

The Rural Housing Coalition will be hosting 4 different workshop series during the Spring of 2004. The workshops will be on a variety of topics, covering Main Street Revitalization, Workers Compensation and Other Insurance Issues, the Affordable Housing Corporation Program and its use with HOME, and a Train the Trainer for Financial Literacy for high school students. All of the trainings except for the Financial Literacy session will be held at regional locations throughout the state. Watch upcoming issues of *Rural Delivery* for dates, times and locations.

### State Banking Dept. Announces First Quarter CRA Exam Schedule

Country Bank, Rondout Savings Bank, Chemung Canal Trust Company, Genesee Regional Bank, Tioga State Bank, and the Bank of Akron are among the First Quarter 2004 Community Reinvestment Act Exams scheduled by the New York State Banking Department. Comments on CRA performance of these lending institutions may be directed via email to: [CRA@Banking.State.NY.US](mailto:CRA@Banking.State.NY.US), or by regular mail to: Mr. Edward B. Kramer, Deputy Superintendent of Banks, Consumer Services Division, New York State Banking Department, One State Street, New York, NY 10004-1417.

### National Preservation Awards Nominations Due May 1st

Each year the National Trust celebrates the best of preservation by presenting National Preservation Awards to individuals and organizations whose contributions demonstrate excellence in historic preservation. The National Preservation Honor Awards recognize the efforts of individuals, nonprofit organizations, public agencies, and corporations whose skill and determination have given new meaning to their communities through preservation. These efforts include citizen attempts to save and maintain important landmarks; companies and craftsmen whose work restores the richness of the past; the vision of public officials who support preservation projects and legislation in their communities; and educators and journalists who help Americans understand the value of preservation.

To nominate an important preservation project visit: [www.nationaltrust.org/preservation\\_awards/index.html?cat=4](http://www.nationaltrust.org/preservation_awards/index.html?cat=4).

## Legislative Conference Begins February 8th

The NYS Rural Advocates Legislative Conference is scheduled for February 8th, 9th, and 10th in Albany. Everyone is encouraged to attend, and set up individual visits with their legislators. Bring photos, scrap books and information on your latest projects, dollars leveraged and information to share with your legislators so they can see how RPC funding goes to work for them in their communities.

Monday activities will take place in room 711A of the Legislative Office Building. Advocates will present their agenda and provide talking points for legislative meetings during their 9 AM breakfast. **All are welcome.** A membership meeting is scheduled for 10 AM, and is open to Rural Advocates Members only. The topic for this discussion, scheduled from 10 am-12 PM will be the Rural Preservation Program-Today and Tomorrow.

A lunch buffet will follow at noon (open to all registered guests, members and non-members). Following lunch, DHCR and the Affordable Housing Corporation will be on hand to present their legislative agendas for the year. Housing and Community Development Chairs, Senator John Bonacic and Assemblyman Vito Lopez will also speak to the group about housing in this year's legislative session.

For more information on the conference or about membership in NYS Rural Advocates, contact Nancy Berkowitz, [nbek@frontiernet.net](mailto:nbek@frontiernet.net) or by phone at (518)352-7787.

## HUD Report Shows 'Worst Case' Housing Needs Not Improving

The Department of Housing and Urban Development released the latest Congressionally-mandated study on the 'Worst Case Housing Needs' on January 12th. According to the report, in 2001, **5.07 million renter households** nationally met the definition of having worst case housing needs- having incomes at or below 50% of median, facing severe cost or quality problems in their housing, and not receiving any housing assistance.

The Worst Case Housing Needs report has been published biennially since 1989, although this most recent release is the first of the Bush administration. The report trends these critical housing needs beginning in 1978 and running through 1999. The trends show housing conditions worsening for this at-risk population by 20% between 1978 and 1997. Between 1997 and 1999, there was slight improvement, as very low income renters began to see some benefits of the 1990's economic boom. However, during this period, the supply of rental housing affordable to very low income renters continued to shrink.

The update of the study from 1999 through 2001 showed that the supply of rental units remained stable, while the number of worst case needs rose slightly.

The report states that, "worsening shortages of housing affordable and

available to extremely low income renters...show the underlying gap between demand and supply continues."

The report analyzes the impact of the worst case housing conditions demographically. Among minorities, the proportion of renters facing worst case conditions remained constant. However, among non-hispanic whites, the number of affected households rose 10%, to 2,800,000 during the last report period.

The historic focus of the report has been on renters. The 2001 report also notes, though, that the number of low income owner occupant households (those owners with incomes of 80% of median or less) who paid more than 50% of their income for housing costs increased by 1,000,000 during the most recent 2 years covered by the report. All of this data, of course, predates the recent recession, and does not explore the economic impact caused by job reductions that occurred nationally following 2001.

The report contains 167 pages of statistical data, including demographic analyses and trends. To review *Trends in Worst Case Needs for Housing, 1978-1999: A Report to Congress on Worst Case Housing Needs Plus Update on the Worst Case Needs in 2001*, visit: [www.huduser.org/publications/affhsg/worstcase03.html](http://www.huduser.org/publications/affhsg/worstcase03.html).



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## OTDA Announces Additional NOFA

The New York State Office of Temporary and Disability Assistance announced a NOFA on December 31st for a one-time supplementary funding opportunity for the SFY 2003-04 Operational Support for AIDS Housing (OSAH) program. OSAH funds are appropriated in the New York State Aid to Localities Budget to the State Department of Health to be transferred to the OTDA. The SFY 2003-04 State budget includes a separate appropriation of \$125,300 for additional operational support to projects serving homeless individuals and/or families living with HIV illness or AIDS, which have received capital grant awards through the Homeless Housing and Assistance Program (HHAP). Funds under this supplementary RFP can be used by a limited pool of providers to pay for one-time expenditures, such as purchase of equipment and supplies for use in eligible HHAP projects, minor repairs and rehabilitation. This additional SFY 2003-04 appropriation is expected to be non-recurring; therefore, potential bidders are strongly encouraged not to increase program services on the basis of receiving a supplementary award from this RFP.

Applicants are urged to submit proposals that demonstrate and document a need for funds to continue the viability or significantly enhance the OSAH-eligible HHAP project.

To download the Operational Support for AIDS Housing (OSAH) Program Supplemental Request for Proposals (RFP) and Application, go to: [http://www.otda.state.ny.us/cgo/OSAH/OSAH\\_RFP\\_1203.htm](http://www.otda.state.ny.us/cgo/OSAH/OSAH_RFP_1203.htm).

Binghamton, Oct. 4th, 5th, 6th 2004  
Save The Dates!!!

## NP Coalition To Host Lobby Day

The Neighborhood Preservation Coalition of NYS will welcome its members and any and all interested community-based housing organizations to Albany on Tuesday, February 24th for the annual Legislative Action Day in support of housing in New York.

Legislative Action Day activities will include a budget information sharing session and guest speakers in Hearing Room C of the Legislative Office Building in Albany in the morning, and participants are encouraged to make appointments in the afternoon with their legislators to discuss the importance of maintaining support for housing programs in the face of gubernatorial budget cuts. The Neighborhood Preservation Coalition has in the past, and continues to call for, full adequate funding for the Neighborhood and Rural Preservation Programs.

For more information on the Legislative Action Day, visit the NP Coalition website at [www.npcnys.org](http://www.npcnys.org).

## Secretary Nomination Questioned

The Presidential appointment of Alfonso Jackson as HUD Secretary announced on December 12th appears to have hit a snag or two. Confirmation hearings have been slowed because the administration has so far failed to submit the necessary paperwork to Congress. In addition, the HUD employees union has raised concerns relating to anti-union statements allegedly made by Mr. Jackson in Los Angeles, and Senate and House members are reportedly unhappy with Mr. Jackson's release of RESPA reform regulations prior to Congressional approval of the language.

## Credit Reporting System Created For Non-traditional Credit

Renters, young consumers, recent immigrants, and minorities who traditionally struggle to establish good credit ratings may soon have a new option to demonstrate their credit-worthiness. Currently the three nationwide credit reporting agencies—Equifax, Transunion, and Hyperion—do not have the ability to track on-time rental payments, nor are rental payments included in the credit scoring process used in the mortgage application process. Consequently, large sectors of the population do not have their bill paying histories properly documented, and end up paying higher interest rates on mortgages, or more in fees.

A new online credit reporting agency seeks to correct this inequity. PRBC, a new national credit bureau based in Annapolis, MD, is gearing up operations to track those payments that nobody else tracks, such as rent, utility, phone and insurance payments. Consumers can benefit from this agency for free by registering at the credit bureau's website [www.payrentbuildcredit.com](http://www.payrentbuildcredit.com). There will never be a charge to consumers for the service, according to the founder. Over the next 5 years, PRBC expects to build credit files on 10 million renters nationwide. Consumers will need to have access to a computer and internet service to utilize this resource.

Consumers will have 24 hour access to their credit files. PRBC will never provide consumers payment histories to lenders without express permission. Banks are expected to subscribe to the service. Citimortgage has already signed on.

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](mailto: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 on-line.

## Career Opportunities

### Executive Director

Western Catskills Community Revitalization Council Inc. seeks candidates for the position of Executive Director. Western Catskills CRC Inc. is based in Stamford, New York and has been serving the housing and community development needs of eighteen townships in Delaware, Greene, and Schoharie counties since 1981.

The Executive Director's responsibilities include supervision of a staff of five, grant writing, development of diverse funding sources, working with State and Federal funding sources such as NYS Division of Housing and Community Renewal, NYS Affordable Housing Corporation, NYS Housing Trust Fund Corporation, Governor's Office for Small Cities, NYS Rural Development, USDA Rural Housing and Economic Development, and others. Additionally carry out the contractual work programs, including research and analysis, interpretation, writing, and presenting information on a wide variety of programs/projects. This includes organizing and facilitating grassroots activities, representing the organization at local meetings, working with the Townships, Villages, Hamlets, and Organizations within the Western Catskills service area, attending regional events, and acting as liaison to the Board of Directors.

Qualifications: a Bachelors Degree in Business or Economic Development or five years experience in related fields. Demonstration of project management, writing, and communication skills required.

Please send letter of interest, resume, and writing sample to John E. Wright, Executive Director, Western Catskills CRC Inc., 125 Main Street, Box A, Stamford New York 12167.

Interviews will begin in mid march of 2004. (Mark envelope Confidential)

### Urban Analyst

A unique opportunity exists for an URBAN ANALYST / CRA ANALYST to work in our Community Affairs Unit. 3 positions are available (2 Urban Analyst 3 and 1 Urban Analyst 4). Use your expertise to evaluate the CRA performance of supervised institutions, set up conferences and promote community development/financial education through outreach to community-based organizations and financial service providers. Involves some travel within NYS. Strong writing and computer skills required. CRA experience preferred. Minimum qualifications for the *Urban Analyst 3* position is: BA/BS degree with 24 credits in urban planning, city & regional planning, economics, public administration, business administration, or political science; and 2 years of post BA/BS experience in a State/municipally supported community-based organization performing research, planning, administration, or analysis of community preservation and economic development programs focusing on the preservation, revitalization, and development of low to moderate income areas. Substitution: A Masters degree in urban, city or regional planning, economics, public administration, business administration, political science or a Juris doctor degree may substitute for one year of the experience. For the *Urban Analyst 4* position you need one additional year of post BA/BS experience. Salary: Urban Analyst 3: \$53,104 - \$65,388 plus \$1,200 NYC Location Pay; Urban Analyst 4: \$65,662 - \$80,235 plus \$1,200 NYC Location Pay.

To apply: send your resume to: Joanne McAuley, NYS Banking Department, 1 State Street - 2 Floor New York, NY 10004-1417.

E-mail: [joanne.mcauley@banking.state.ny.us](mailto:joanne.mcauley@banking.state.ny.us). Fax #: (212) 709-5450. [www.banking.state.ny.us](http://www.banking.state.ny.us). EOE

### Project Coordinator

The Rural Housing Coalition seeks candidates for the position of Project Coordinator to assist local community organizations with community development programs and projects, organizational development, and training. Familiarity with affordable housing finance programs, nonprofit organizational structure, supportive housing development and/or real estate lending a plus. Salary commensurate with experience. Competitive benefits package.

Send resume to the attention of Blair Sebastian, Executive Director NYS Rural Housing Coalition, 879 Madison Avenue, 2nd Floor, Albany, NY 12208. No phone calls please. EOE

### Management/Resource Development Consultant

National intermediary seeks Management/Resource Development Consultant w/ min. 10 yrs. sr nonprofit mgmt. experience, track record in capital campaigns/individual giving, familiarity with community development, to build capacity, train and equip local nonprofit housing corps. Based Ithaca or NYC. Visit: <http://www.nonprofitjobs.org>. Send resume to [susanm@nonprofitjobs.org](mailto:susanm@nonprofitjobs.org). EOE

## Washington Post Article Debunks NonProfit Lobbying Myths

An article by Jeffrey Berry in the November 30, 2003 Washington Post presented the results of a study on Nonprofit Lobbying activities that clearly shows misunderstanding in the sector regarding liability exposure or prohibitions on lobbying found in the IRS code. The conclusions of the author are that leaders of many nonprofits do not use their legal lobbying rights on behalf of their agencies and constituents to full advantage.

Many of the nonprofit Executive Directors interviewed for the study believed that they were “not allowed to influence public policy” or were required to “wait until a legislator contacted them”. Many of the interviewees indicated a belief that the IRS was actively monitoring their advocacy efforts, and often repeated

a story about the IRS busting the Sierra Club for its lobbying. The Sierra Club case occurred in 1966 as a direct result of a complaint filed by a then Congressman from Colorado, in response to newspaper ads purchased by the Sierra Club in response to plans to flood the Grand Canyon.

In fact, the IRS code was revised in 1934 to stipulate that any nonprofit that engaged in *substantial lobbying* could not retain its tax exempt status. However, the IRS never defined what constituted *substantial lobbying*. In 1990, however, the IRS implemented regulations for a 1976 tax bill to address this concern, and the “H Election” was born. Nonprofits can use the H Election to find out exactly how much of their revenues (up to 20 per cent) may be used for lobbying purposes.

Nonprofits using the H election must keep records of their spending on lobbying activities. The regulations for the H election narrowly define lobbying, so it is difficult for a nonprofit to ever reach the H expenditure ceilings. Taking the H election requires completing Form 5768, and is estimated to take just 60 seconds to complete.

The author of the study indicates that, as government continues to grow leaner, it will become more important for the nonprofit sector to communicate local needs to policy makers. Using the H election makes that possible.

To view the complete article, visit: [www.washingtonpost.com/ac2/wp-dyn?pagename=article&node=&contentId=A206332003Nov29&notFound=true](http://www.washingtonpost.com/ac2/wp-dyn?pagename=article&node=&contentId=A206332003Nov29&notFound=true).

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*Visit Our Website At [WWW.ruralhousing.org](http://WWW.ruralhousing.org)*

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## US DOT Proposes Relocation Assistance Rule Changes

The US Department of Transportation has proposed changes to the rules governing the Uniform Relocation Act to clarify definitions among other changes. The URA has not been revised since 1989.

Changes included in the proposed rulemaking will create a definition of 'household income' for the first time, defining it as excluding income from anyone 18 years of age or younger, or a full time student. All displaced households will be eligible for transportation assistance to help them examine replacement housing, not just the elderly or disabled, as under the current rules. Agencies will not be able to suggest that anyone waive relocation benefits. If a person opts to waive benefits, the agency must write a letter to the person explaining what benefits they are waiving. All families undertaking a 'self move' will be eligible for up to \$3,000.

Comments on the proposed rule are due no later than February 17th. To review the proposed rulemaking, visit: [www.regulations.gov/fredpdfs.03-30804.pdf](http://www.regulations.gov/fredpdfs.03-30804.pdf).

## Guide Published On Home Ownership On Tribal Lands

The Enterprise Foundation has published a guidebook on designing and operating home ownership programs on Native American tribal lands. The guide can be found online at [www.enterprisefoundation.org/downloads/NAGuide.pdf](http://www.enterprisefoundation.org/downloads/NAGuide.pdf).

## FHLB-NY Switches To Single Funding Round

The Federal Home Loan Bank of New York will limit funding for the 2004 Affordable Housing Program (AHP) to a single competitive funding round. The deadline for 2004 applications will be September 10, 2004.

The Affordable Housing Program assists in the development of affordable housing projects, and subsidy is accessed through FHLB-NY stockholder banks. AHP funds may be used to finance the acquisition, construction, and rehabilitation of affordable housing units.

The application materials for the 2004 competitive round will be available on or about July 1st. The exact amount of subsidy available will be an-

nounced at that time.

FHLB-NY has announced two other important changes that will impact this funding round: 1) A single project sponsor may submit a maximum of 2 competitive applications in this round; 2) AHP subsidy will continue to be capped at 10% of the total amount of subsidy available in the competitive round, however, for projects of at least 100 units and with a total development cost of \$10,000,000 or more, FHLB-NY will eliminate the limit of up to 40% of the available subsidy.

For more information, contact Donald Wolff, Senior Vice President, at (212) 441-6813.

## USDA/Rural Utility Service Announce Grant Deadline

The Rural Utility Service of USDA is making available \$11.3 million in competitive grants under section 19 of the Rural Electrification Act of 1936 (the RE Act)(7 U.S.C. 918a) to make grants to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving communities in which the average residential expenditure for home energy is at least 275 percent of the national average residential expenditure for home energy. The purpose of this grant program is to provide assistance for a broad range of energy facilities, equipment and related activities to offset the impacts of extremely high residential energy costs on eligible communities. Eligible facilities include on/off-grid renewable energy systems and implementation of cost-effective demand side management and energy conservation programs that benefit eligible communities.

No cost sharing or matching funds are required as a condition of eligibility under this grant program. However, RUS will consider other financial resources available to the grantee and any voluntary commitment of matching funds or other contributions in assessing the grantee's capacity to carry out the grant program successfully and will award additional evaluation points to proposals that include such contributions.

The application due date is March 5, 2004. For more information, visit: <http://www.fedgrants.gov/Applicants/USDA/RD/RUS/USDA-RD-RUS-HECG03-1/Grant.html>, or contact: Karen Larsen, Rural Utilities Service, Electric Program, U.S. Department of Agriculture, 1400 Independence Avenue, SW, Stop 1560, Room 5165 South Building, Washington, DC 20250-1560. (202) 720-9545 or Email address inquiries about grant program to: [energy.grants@usda.gov](mailto:energy.grants@usda.gov).

*To review the Testimony of Blair Sebastian, Executive Director of the New York State Rural Housing Coalition, and Marlene Papa, President of the New York State Rural Advocates before the New York State Senate and Assembly on the impacts of Governor Pataki's proposed budget cuts to the Rural Preservation Program, visit: [www.ruralhousing.org](http://www.ruralhousing.org). Click on latebreakingnews.*

## Active-duty Military Receive More Housing And Financial Protections in New Law

Military members called for active duty in the Persian Gulf and elsewhere will be happy to learn the law helping them abate certain financial and legal obligations—the Soldiers' and Sailors' Civil Relief Act (SSCRA) of 1940—was superseded on December 19, 2003, by a new law that keeps the old benefits and adds a few new ones.

The SSCRA helps active-duty military personnel facing certain legal or financial problems due to their active status. For example, the SSCRA provides protection against foreclosure when a person is called into active military service as long as the contract obligation is entered into prior to entry into active duty. More SSCRA protections are described in a fact sheet about the SSCRA available from the HUD Veteran Resource Center (HUDVET) at (800) 998-9999.

The new law—the Servicemembers Civil Relief Act (SCRA)—keeps the benefits from the SSCRA and adds a

few new ones. For example, under the SCRA, service members have the ability to terminate automobile leases without having to pay any early termination penalties. Also, it prevents personal property (such as automobiles) from being repossessed without a specific court order.

The SCRA, which is effective immediately, recognizes that it is often difficult for service members to be physically present during civil court proceedings when they have been called to active duty or deployed. To protect their rights, the SCRA provides service members with automatic 90-day stays in civil proceedings. If an additional stay is requested but denied, the court will be required to appoint counsel to protect the service member's rights while he or she remains on active duty.

The new law also allows the possibility of service members reopening default judgments rendered against them when the failure to appear was caused

by active service. The civil protections of the SCRA will now also be applied to administrative proceedings, such as licensing and zoning matters, which is an expansion from the former SSCRA that limited protections to judicial hearings only.

Other key provisions of the SCRA are:

- \* Expanding the current law that protects service members and their families from eviction from housing while on active duty due to nonpayment of rents that are \$1,200 per month or less. Under the new provisions, this protection would be significantly updated to meet today's higher cost of living—covering housing leases up to \$2,400 per month—and then be adjusted annually to account for inflation.

- \* Providing a service member who receives permanent change-of-station orders or who is deployed to a new location for 90 days or more the right to terminate a housing lease.

### Going To Seed

While it's probably too late in the grant development cycle to be thinking about starting an application to submit to DHCR's HOME/Housing Trust Fund/Low Income Housing Tax Credit programs for the March 22nd deadline, non-profit housing organizations may wish to consider taking a first step towards next year's funding round by applying for Seed Money.

DHCR's Seed Money program supports some of the preliminary or predevelopment costs of a nonprofit sponsor considering taking on the development of a new or rehabilitated affordable rental project using HOME or Housing Trust Fund. Seed Money applications may be submitted at any time during the year, and the non-profit sponsor must be determined by DHCR to

be a Community Housing Development Organization (CHDO) prior to application submission. Seed money is limited to \$5000 per unit, up to a maximum of \$45,000. The loan does not have to be repaid if the proposed project proves infeasible.

Seed money loans may be requested for the following pre-development expenses: feasibility studies; market studies; legal fees for site acquisition or site control; site appraisal costs; the costs of preparing applications if a housing consultant is used (project seed money applications only); preliminary design documents and cost estimates; title searches; site option expenses; survey maps; and/or zoning approval fees. An applicant's operating and administrative expenses are not eligible seed

money costs.

Only proposals which have documented the following are eligible for seed money loans: the applicant is eligible under HOME or HTF; a site is identified and site control has been or can be obtained; the applicant has determined the population to be served by the project; the applicant has identified the approximate number of units to be developed; the applicant has identified a permanent funding source for which the project is eligible and from which funds for future applications will be available; and the proposed project demonstrates a likelihood to meet rating criteria.

To learn more about Seed Money visit: [www.dhcr.state.ny.us/ocd/nofas/uf04rfp.htm#IIII](http://www.dhcr.state.ny.us/ocd/nofas/uf04rfp.htm#IIII).