



The following questions and answers are intended to assist property owners that are interested in participating in the Vacant Rental Program.

### **1) How can I receive assistance for my property?**

The Vacant Rental Program is administered by nonprofit organizations and local governments across the state. Interested property owners should contact the appropriate local program administrator that covers the area in which the property is located. A full list of providers and their service areas is available online at <https://hcr.ny.gov/vrp>. Please note that property owners cannot apply for assistance through the NYS Office of Community Renewal. Please follow us on social media and visit our website [www.Preservationbuffaloniagara.com](http://www.Preservationbuffaloniagara.com) look under the tab technical for the Vacant Rental Program for additional information.

### **2) Is my property eligible?**

The following guidelines apply to property eligibility:

- The property must be located in an area with a local service provided (**primary area 14301 & 14305**) but other areas surrounding Niagara Falls will be considered for the program.
- The property must not have more than five (5) units currently or post-completion
- The property must not be in foreclosure
- The completed project must be legally permissible at the time grant funds are formally committed to a property owner
- The property must have eligible vacant units or spaces (see following question)

### **3) What units in my property are eligible?**

Existing vacant rental units or existing vacant buildings and units that will be converted to restricted rental units. The following are examples of eligible units by property type:

- Multi-family Property Units: Vacant units in multi-family properties (5 units or fewer) are eligible.
- Single-Family Property Units: Vacant single-family homes are eligible if it will be used as a long-term rental. Vacant single-family homes may also be converted to rental properties of up to five (5) units. Occupied single-family homes are generally ineligible unless the home includes a separate legal and eligible vacant housing unit such as an “in-law apartment.”
- Non-residential Properties: Vacant non-residential properties are eligible for conversion to up to five rental units, if allowable by code.
- Mixed-use Properties: Vacant units in mixed-use properties are eligible.

#### **4) How is vacancy determined?**

A unit is generally considered vacant if it is unoccupied or not legally rented at the time grant funds are committed because the unit is in uninhabitable or unmarketable condition (as determined by the LPA). There is no minimum time period that a unit must be vacant for.

**Uninhabitable:** means the unit does not meet minimum criteria as a safe and legally occupiable housing unit. If the unit is not fully code compliant for residential use, it is by definition uninhabitable.

**Unmarketable:** means that the unit may be legally occupiable but does not meet what would be reasonably considered acceptable conditions for decent and quality housing. Examples may include peeling paint, stained carpets, damaged ceilings, etc. The Local Program Administrator will determine if a unit is uninhabitable or unmarketable and may establish additional criteria for making such determinations. The Local Program Administrator makes the final determination regarding vacancy and unit/property eligibility.

#### **6) What types of property owners may participate?**

All participants must be the intended ongoing property owner for the duration of the 10-year regulatory period. Property owners must be legally able to participate, which means being able to execute the Participant Agreement and Declaration of Interest in the Property.

Examples of eligible property owners include:

Private individual(s)

Certain Business Entities (e.g., LLCs)

Business entities are required to disclose all principals and provide a copy of their operating agreement. Personal guarantees are required from all principals.

Not-for-profit Organizations

o Not-for-profit organizations that will retain long term ownership and management of the rental units may be eligible to participate.

Public or Quasi-Public Entities

#### **7) What is the "Responsible Owner" Requirement?**

Property owners must be determined by the Local Program Administrator to be a "Responsible Owner" to be eligible for participation as part of the application process. Each Local Program Administrator will establish criteria for this determination. Generally, it is expected that property owners will need to meet the following requirements at a minimum:

- o Disclose all properties under their ownership and control
- o Not in bankruptcy or foreclosure
- o No outstanding federal, state, local liens on property
- o Compliant with any previous loan/grant programs
- o Not under current investigation by: Dept. of Health, EPA, HUD, state agency or local government for law or regulation violation
- o Must be current on mortgage payments, property taxes, and utilities
- o Has current comprehensive property insurance policy

**8) Will certain properties or owners be prioritized?**

Yes, at a minimum, owners that live locally will be prioritized as well as owners with smaller real estate portfolios. Local Program Administrators may adopt additional prioritization criteria and can advise of any such additional criteria.

**9) Do I have to cover part of the cost?**

No, there is no match or contribution requirement for property owners to be eligible to participate. However, if the grant award is not sufficient to cover the full cost of rehabilitation, a property owner will be required to demonstrate an acceptable plan for completing the full rehabilitation project, which may include evidence of available/committed funds.

**10) Can I pick the contractor that does the work?**

The Local Program Administrator is responsible for managing the bidding process. A property owner may select the contractors that are solicited for bids. Note that there are minority and women-owned business (MWBE) requirements for the bidding process that will still need to be followed. The lowest responsible bidder must be selected; however, a property owner may choose another bidder, but VRP assistance will be based on the lowest responsible

**11) How long does it take to be notified about the status of my application?**

The Local Program Administrator will notify a property owner of the status of their application within 30 days of a complete application being submitted. Additional site inspections and verifications may occur after the initial notification.

**12) What are the affordability restrictions that will be placed on the units that I rehabilitate?**

There are two types of affordability restrictions that will be placed on units that are rehabilitated with VRP funds:

**Tenant Income Limit:** The tenant's household income may not exceed either 60% or 80% of the Area Median Income. The Local Program Administrator will assist property owners in meeting this requirement.

**Maximum Rent Limit:** There is a maximum monthly rent that can be charged to tenants occupying an assisted unit. See below for additional information on how this is determined.

**13) How is the maximum rent limit I can charge tenants determined?**

The Local Program Administrator will advise you of the current maximum rent limit for your specific unit(s).

The maximum rent is based on the award type, tenant-paid utilities, and unit size. The rent limit is not based on the tenant.

The maximum rent an owner can charge is based on the Area Median Income (AMI) income threshold of either 80% AMI or 60% AMI, depending on the award option selected by the property owner (Standard or Enhanced).

AMI levels are based on published annual Department of Housing and Urban Development (HUD) income limits based on household size.

The rent limit, based on AMI, is determined using the Novogradac Rent & Income Limit Calculator© found [at https://www.novoco.com/resource-centers/affordable-housing-tax-credits/rent-income-limit-calculator](https://www.novoco.com/resource-centers/affordable-housing-tax-credits/rent-income-limit-calculator)

The rent limit is then adjusted by the Local Program Administrator based on the utilities that are paid by the tenant.

**14) Is there a minimum lease length?**

Yes, tenant lease must be a minimum of 12 months. Under no circumstances may an assisted unit be used as a Short-Term Rental (STR).

**15) How long are the restrictions in place for?**

Property owners that participate in the program agree to abide by the restrictions for a period of ten (10) years (the "Regulatory Period"). Program obligations are agreed to in a Participant Agreement that the property owner executes with the Local Program Administrator as well as a Declaration of Interest in the Property that is filed with the County Clerk.

617 Main Street, Buffalo, New York 14203 • (716) 852-3300  
[www.preservationbuffaloniagara.org](http://www.preservationbuffaloniagara.org) • [info@pbnsaves.org](mailto:info@pbnsaves.org)