

Low Income Housing Credit Program - Commissioner's Findings and Determination

It is the policy of New York State and the purpose of federal housing programs to provide housing opportunities to all persons and areas of the State. Although the conditions and needs may vary in different areas of the State, these housing programs are intended to be flexible and to address a variety of needs and the unique circumstances of the various communities across the State.

DHCR, in its role as Housing Credit Agency has administered the Low Income Housing Credit (LIHC) program in a manner which strives for an equitable distribution of credits across the State based upon need and population. The LIHC has experienced success in assisting projects in urban areas and also has been successful in facilitating the development of projects in non-urban areas.

The LIHC program is designed to facilitate the timely completion of affordable housing projects and credits that are not used by the State in a timely fashion are forfeited. To avoid the threat of forfeiture, the State has administered the program in a manner which requires applicants to strictly comply with all development time frames and projects which do not meet these time frames have had their allocation revoked with no provision for extensions or exceptions.

However, there are substantial differences in the local review and approval processes implemented and carried out by the non-urban communities in which projects have been proposed. It is a main objective of the State to assist and allow these non-urban communities to properly and adequately review these project proposals for appropriateness for the areas in which the property is located.

In particular, communities have taken additional time to carefully review proposed family projects and their impact on their communities. It has been DHCR's experience that these reviews may take more time to complete than was initially anticipated.

In light of the importance of the development of projects for families in non-urban areas, DHCR has determined that it is necessary to establish a policy whereby projects which are designed to serve families in non-urban areas which are involved in the local review and approval process may be granted additional time necessary to complete the process for obtaining local approvals.

A request may be made and granted by the Deputy Commissioner under the following circumstances:

1. Project is designed to serve families and is located in a non-urban area;
2. Local Approval Process has been timely commenced and is still ongoing; (including any judicial review proceedings); and
3. All other conditions for the LIHC have been met, including but not limited to site control and financing commitments.