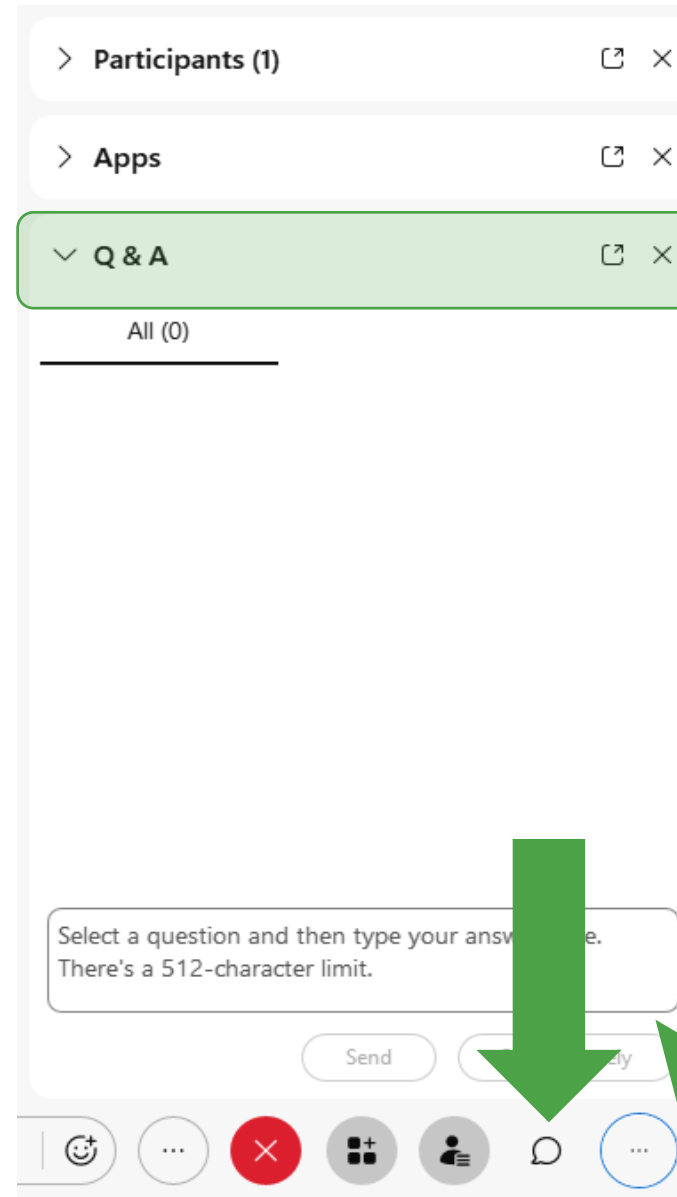




**UNCOMMON EXPERTISE.  
UNMATCHED IMPACT.**

**Finding Opportunity in a High Interest Rate Environment**  
January 26, 2023

- All audience microphones are **muted** and video is disabled.
- **Questions** should be submitted through the **Q&A box** (see bottom right corner of your screen). Your questions will be visible to everyone. Use the ^ to expand/collapse panels.
- Use the chat function **to message everyone or the event Hosts**. The chat icon is located at the bottom right corner of your screen.
- Technical difficulties? Please visit [help.webex.com](https://help.webex.com) and select “Help by product” > Webex webinars.
- Presentation slides, recording, and contact information will be shared with all attendees following the event.



# About CPC



## MISSION-DRIVEN SINCE 1974

**CPC believes** housing is central to transforming underserved neighborhoods into thriving and vibrant communities.

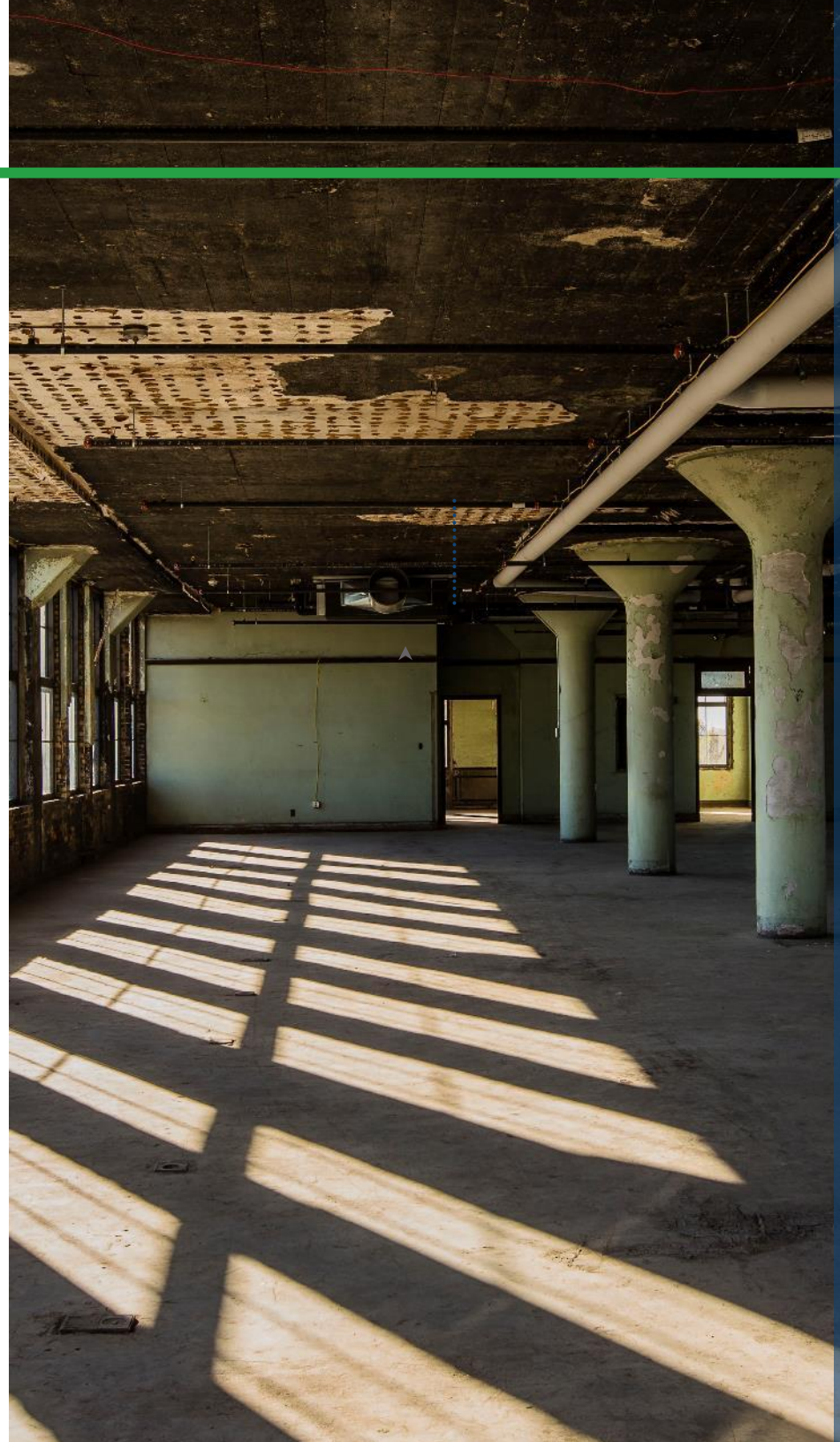
**CPC is a** nonprofit affordable housing and community revitalization finance company providing flexible capital solutions, fresh thinking and a collaborative approach to the complex issues facing communities.

**Our goal** is to be more than just a capital provider. At CPC, we work as a partner to provide technical expertise and hands-on support to help meet the capital needs and broader community revitalization goals of our customers, local stakeholders and the communities we serve.



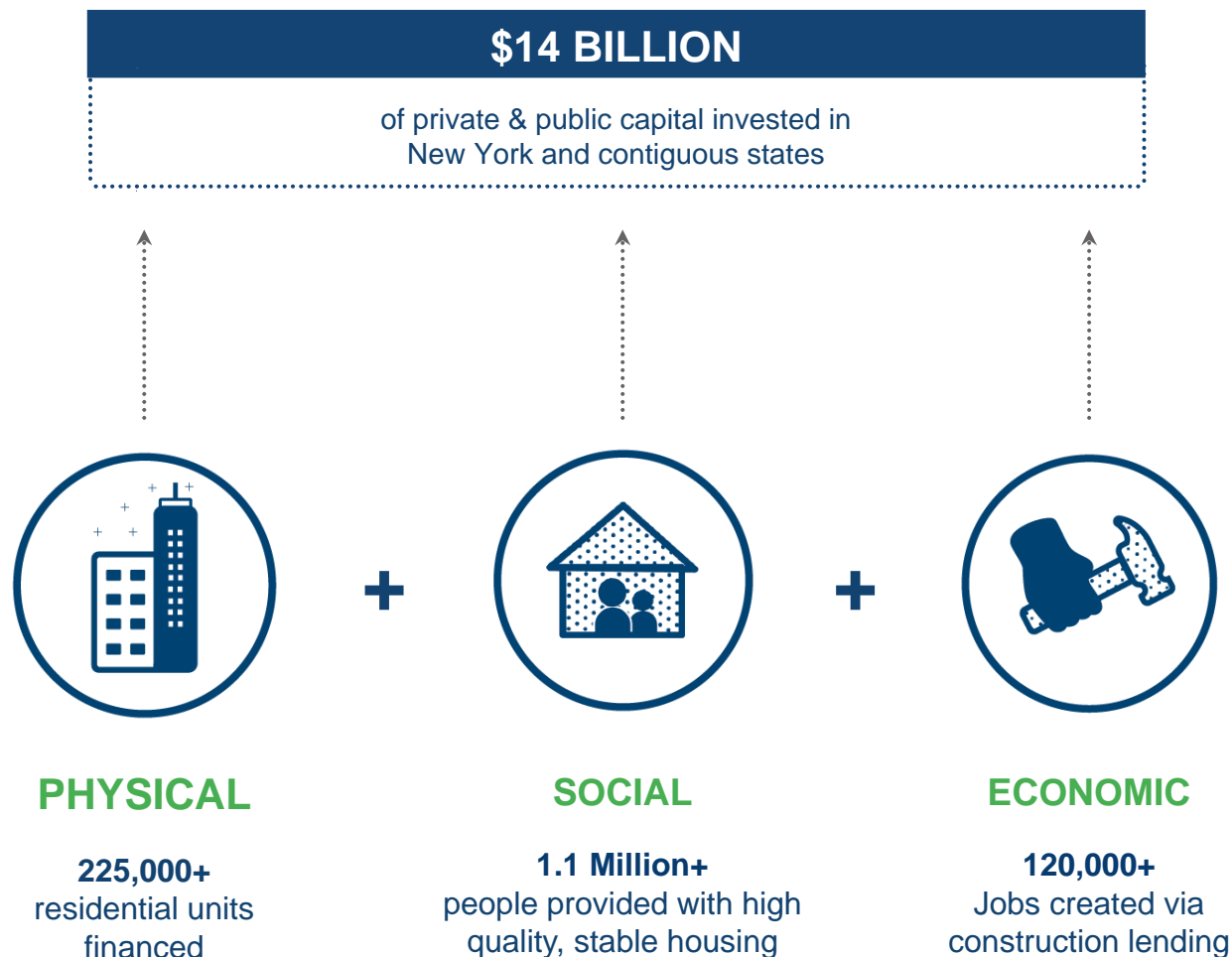
Community Preservation Corporation

Adaptive Reuse  
500 Seneca Street  
Buffalo, NY



# UNCOMMON EXPERTISE. UNMATCHED IMPACT.

Since 1974, CPC's creative financing solutions have supported critical projects in neighborhoods across New York State and beyond, resulting in wide-reaching physical, economic, and social impacts that improve communities and people's lives.



CPC uses its unique expertise in housing finance and public policy to:



**Expand housing access** and seek new ways to lower the cost of producing affordable housing



**Invest in closing the racial wealth gap**, and increase diversity and equity in the development industry



**Commit to and expand investment in the green economy** and lessen the impact of climate change



# THE CPC TOOLBOX: FLEXIBLE CAPITAL AND UNIQUE EXPERTISE



We use our unique expertise in housing finance and policy to help meet the capital needs and broader community revitalization goals of our customers and the communities we serve.



# **CPC + HCR Partnership**



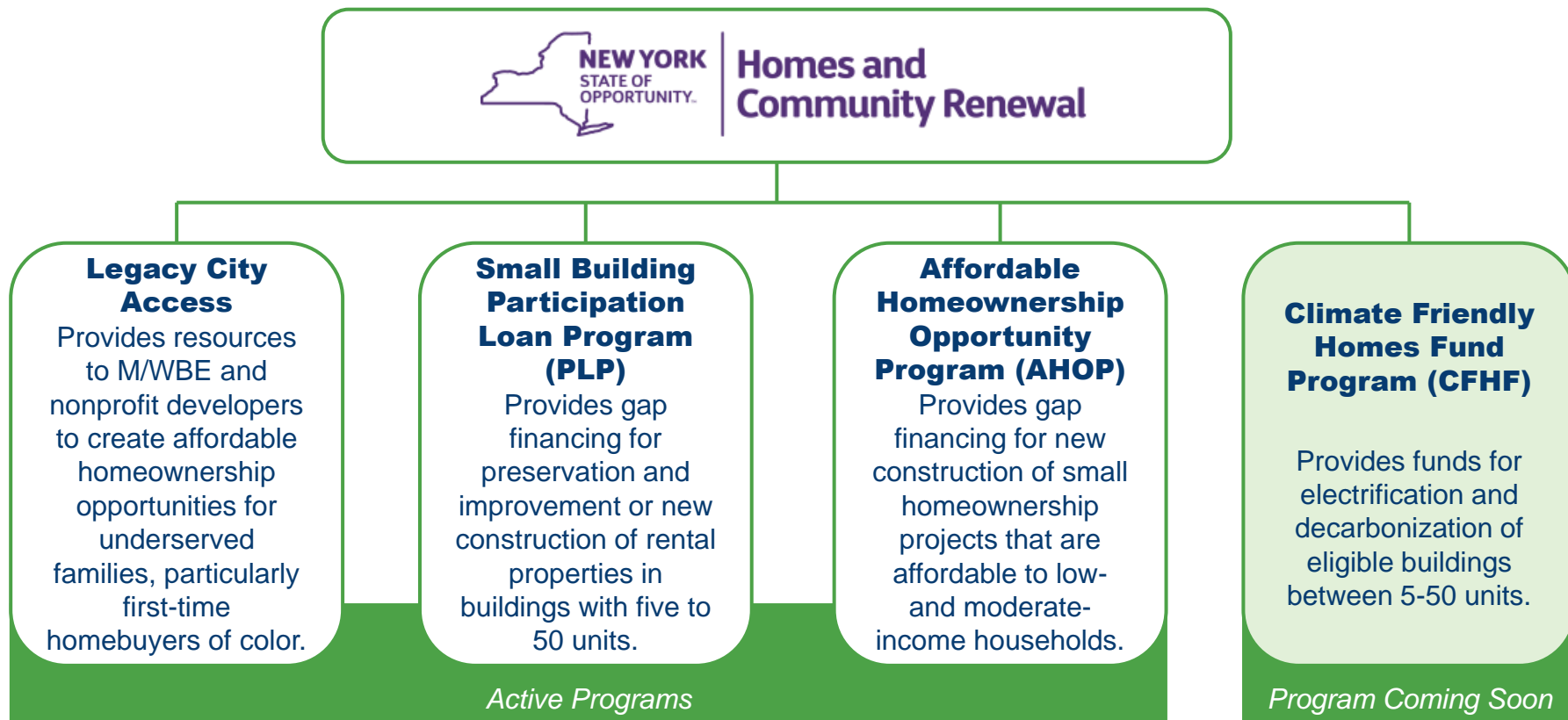
**New York State Homes and Community Renewal (HCR) is the State's affordable housing agency, with a mission to build, preserve, and protect affordable housing and increase homeownership throughout New York State.**

- Multifamily Housing
- Homeownership
- Community Revitalization
- Rent Regulation and Tenant Protection
- Fair Housing

**CPC has a history of administering and/or supporting a number of impactful programs in close partnership with HCR, including:**

- **Mohawk Valley Recovery Program (2006-2008):**
  - CPC Administered Amount: \$8 million
  - Businesses Impacted: 146 across 8 Counties
- **Weatherization Assistance Program (2013):**
  - CPC Administered Amount: \$5 million
  - Units Impacted: 1,233
- **Small Project Affordable Rental Construction (SPARC) Program (2014-2018):**
  - \$16.6 million deployed alongside \$24.6 million of CPC capital
  - Units Created: 88 units in storm-impacted communities
- **New York Forward Loan Fund (2020-2021):**
  - \$6.9 million deployed by CPC
  - Community Impact: 143 Loans to Small Landlords

CPC currently works closely with HCR to administer and/or support several impactful subsidy programs.



# CPC + HCR PARTNERSHIP: PROGRAM PRODUCTION



## Legacy City Access:

(2021-Present)

Loan Type	# of Loans	# of Units	CPC Amount	HCR Amount	Total Loan Amount
Closed	1	4	\$846,000	\$600,000	\$1,446,000
Pipeline*	9	93	\$6,058,344	\$13,982,793	\$20,041,137

## Small Building Participation Loan Program (PLP):

(2017-Present)

Loan Type	# of Loans	# of Units	CPC Amount	HCR Amount	Total Loan Amount
Closed	13	320	\$37,410,811	\$18,616,464	\$56,027,275
Pipeline*	15	481	\$39,667,916	\$38,409,202	\$78,077,118

## Affordable Homeownership Opportunity Program (AHOP):

(2022-Present)

Loan Type	# of Loans	# of Units	CPC Amount	HCR Amount	Total Loan Amount
Closed	0	0	\$0	\$0	\$0
Pipeline*	4	78	\$13,834,400	\$16,000,000	\$29,834,400

\* Pipeline totals are approximate, based on projections for loan opportunities at various stages as of 1/24/2023.



## MADELINE FLETCHER

VP, Small and Mid-Sized Development  
*madeline.fletcher@hcr.ny.gov*

Madeline Fletcher is the Vice President for Small and Mid-Size Development at NYS HCR. In that role, she oversees several newer agency initiatives in rental, manufactured and homeownership housing development. Leading to her work at HCR, Madeline spent over fifteen years honing expertise in housing and revitalization strategy in both her native NYC and the Hudson Valley, where she now lives with her family.

## BURKE BLACKMAN

Director, Distressed Asset Initiatives  
*burke.blackman@hcr.ny.gov*

Burke Blackman serves as Director of Distressed Asset Initiatives at HCR, focusing on housing revitalization programs that create or preserve affordable rental and homeownership opportunities. Formerly a practicing transactional attorney, Burke joined the field of community development in 2016 and has since held various project management and program administration roles at the local, state, and federal level. Originally from Texas, he now lives in the Hudson Valley with his family.





# HCR Subsidy Programs

Funding Opportunities for a High Interest Rate Environment  
for Homeownership and Rental Developments

## This program can be used for rehabilitation and new construction for rental projects:

- \$75,000 – \$115,000 per unit, depending on construction type and affordability
- 5-50 units, small building assemblages ok
- Designed as subordinate construction to permanent debt
- 0.5% interest only paid during construction and permanent
- 30-year affordability period
- Mixed income with average 65% or 80% AMI, depending on subsidy
- Pairs well with Historic Tax Credits, NYS Downtown Revitalization Initiative, and other funding
- Open term-sheet. Applications accepted on a rolling basis.



**This program is for rehabilitation of 1-3 unit scattered-site homes that are in a targeted neighborhood, and typically where a municipality or Land Bank currently holds title:**

- Strong priority for BIPOC and Non-Profit Developers
- Projects should consist of 5 to 10 neighborhood building clusters
- Up to \$150,000 in subsidy per unit to be paired with private financing from a construction lender
- Renovated homes will be sold to first-time homebuyers at or below 80% AMI
- Two Options for Affordability Terms- Equity Building Model or Long-Term Affordability
- Open Term Sheet with applications accepted on a rolling basis



*Kingston City Land Bank*

**This program will provide subsidy to support new construction of single-family homes and multifamily homeownership projects (coops or condos).**

- New Construction, Adaptive Reuse and Conversions – Energy Efficiency a must
- Up to \$200,000 depending on need and depth of affordability
- Additional subsidy for Net Zero or Passive House  
Affordability Restrictions same two options as Legacy City:  
Equity Building or Long-Term Affordability



Source: [efficiencyvermont.com](http://efficiencyvermont.com)



# Case Studies

## MIXED USE GUT RENOVATION

Syracuse, New York

- 38 Residential Units
- 2,500 SF Commercial Space
- Two Existing/Connected Buildings
- 31,196 SF



- \$5.7 million CPC Construction Loan
- \$4.2 million Permanent Loan by NYS CRF
- \$2.6 million Historic Tax Credit equity
- \$425k HOME subsidy
- Brownfield Tax Credit
- **\$1.9 million NYS PLP subsidy**
- Total Development Costs: Approximately \$11.3 million

## MULTIFAMILY NEW CONSTRUCTION

Long Island, New York

- **48 Residential Units**
- **5-Story Elevator Building**
- **52,582 SF**

- \$12.4 million CPC Construction Loan
- **\$4.3 million NYS PLP subsidy**
- Total Development Costs (TDC): Approximately \$21.1 million
- The borrower is supported by the CPC ACCESS Program, which supports BIPOC developers and their success.

## MULTI-SITE GUT REHABILITATION

Capital Region, New York

- **18 Residential Units**
  - **9 Properties**
    - **Homeownership opportunities for underserved families, particularly first-time homebuyers of color.**
- \$1 million CPC Construction Loan
  - **\$2.7 million Legacy City Access subsidy**
  - All incomes and rents limited to 80% AMI
  - Total Development Costs (TDC): Approximately \$4.2 million
  - The borrower is supported by the CPC ACCESS Program, which supports BIPOC developers and their success.



**Coming Soon: Climate Friendly Homes Fund**

CFHF is structured to specifically target decarbonization opportunities in low-moderate income areas and disadvantaged communities.

## Key Goals of the CFHF:

- **HCR has allocated \$250 million to CFHF to electrify 10,000 units**
  - Aligns with Governor Hochul's Climate Friendly Homes goal of 2 million electrified or electrified-ready homes by 2030
- **Target energy efficiency and electrification in LMI census tracts and DACs**
  - Meet goals of CLCPA CAC recommendations and make investments in DAC
- **Training and public awareness**
  - Educate owners, operators, & tenants about the benefits of heat pump technologies for heating/cooling and DHW
  - Continue to scale adoption of high-performance technologies by funding early transition effort

## Eligible Building/Owner Types:

- Buildings in NYS 5-50 units
- Subsidized AND unsubsidized housing is eligible
  - If unsubsidized, in a HUD LMI census tract OR a Disadvantaged Community
- Only applies to mid-cycle retrofits (cannot be combined with traditional mortgage financing)

## Eligible Use of Funds:

- CFHF **hard costs** will cover systems upgrades and limited energy conservation measures to support:
  - Heating system replacement with high-efficiency heat pumps for heating and cooling
  - DHW system replacement with high-efficiency heat pump water heaters
- CFHF funds can be used to cover associated **engineering/consultant costs**, **originations fees**, **closing costs**, and **legal fees**
  - Proposed cost share for energy audit and scoping ahead of loan closing
    - Projects that close and move to construction would be reimbursed for their share of audit costs
  - Borrower will be responsible for benchmarking fees for a total of 5 years
- **Estimated available funding to cover hard costs: \$18-\$22k/unit**

## Ineligible Use of Funds:

- Solar PV or other on-site renewables
- Health & Safety or deferred maintenance items
- Energy efficiency measures outside of designated scope
- Cannot be combined with mortgage financing to fund additional updates

## Progress to Date:

- HCR publicly announced CFHF via [press release](#), announcing the designation of CPC and partner organizations
- CPC launched a [CFHF Website landing page](#) (on the CPC website) with applicant intake form, which includes referring organization

## Next Steps:

- Program/Application Launch – **Coming Soon!**

**Find out more: [communityp.com/climate-friendly-homes-fund](https://communityp.com/climate-friendly-homes-fund)**

**Questions?**

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# Thank You. Connect with CPC.



**Upstate New York**

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