

Multifamily Water Assistance Program for Affordable Housing Frequently Asked Questions (updated July 10, 2018)

GENERAL PROGRAM ELIGIBILITY

1. HOW DO I APPLY? WHO DO I SEND MY APPLICATION TO?

The application is available on the HPD [website](#). For Calendar Year 2019, the application is a web-based form that asks owners /sponsors to submit one application for each project (a “project” is defined as all of the buildings executed and recorded under one Regulatory Agreement). Only one DEP account number can be submitted in the main **Online Application**. If there are multiple DEP accounts associated with one project, owners / sponsors must complete the **Additional DEP Account Form** for each additional DEP account number.

There are separate applications for HPD- and HDC-assisted projects. Here is how to determine if your project is an HPD- or HDC-assisted project:

- **HPD-Assisted Project:** Your project is considered an HPD-assisted project if it only has an HPD Regulatory Agreement or equivalent regulatory document.
- **HDC-Assisted Project:** Your project is considered an HDC-assisted project if it only has an HDC Regulatory Agreement or equivalent regulatory document.
- **HPD- and HDC-Assisted Project:** If your project has a joint HPD/HDC Regulatory Agreement or equivalent regulatory document, then your project is considered an HPD-Assisted Project and an application should only be submitted to HPD.

2. WHO CAN I CONTACT WITH ADDITIONAL QUESTIONS ABOUT PROGRAM ELIGIBILITY?

- **Multi-Family Conservation Program:** To see whether your building meets the Multi-Family Conservation Program criteria, visit the [Compliant Multi-Family Conservation Program \(MCP\) Properties](#) webpage, or for questions about how to comply with the MCP conservation criteria, please contact DEP directly at (718) 595-7000, customerservice@dep.nyc.gov, or use the MCP Compliance Tool found [here](#).
- **Toilet Replacement Program:** For questions specific to the Toilet Replacement Program, contact trp@dep.nyc.gov.
- **HPD-Assisted Projects:** For existing buildings with an HPD regulatory agreement, contact AMwater@hpd.nyc.gov.
- **HDC-Assisted Projects:** For existing buildings with an HDC regulatory agreement, or a joint HPD-HDC regulatory agreement, contact AMwater@nychdc.com.

3. WHICH BUILDINGS ARE ELIGIBLE TO APPLY FOR THIS CREDIT?

Any project in New York City that meets the following criteria is eligible to apply:

- a) Average actual project rents affordable to households earning up to 60% of Area Median Income (AMI). Vacant units may not be counted in the average.
- b) Executed and recorded regulatory agreement or document with HPD or HDC restricting 100% of the residential units and with a minimum of 15 years remaining from July 1, 2018 or the date of the contract execution, whichever is later.
- c) Buildings must be compliant with all applicable DEP and Water Board regulations. In the case of buildings charged on the Multifamily Conservation Program (MCP) rate, compliance with the program's conservation requirements (an installed automated meter reading device, low-flow toilets, showerheads and faucet aerators installed in at least 70% of units) is required to be eligible to receive the credit. All buildings billed on a metered basis are eligible.
- d) In good standing with the City (current on DEP and DOF bills).

4. WHAT IS A "PROJECT"?

A project is defined as one or more buildings under one executed and recorded regulatory agreement or equivalent document with HPD or HDC.

5. WHAT TYPES OF HPD/HDC PROJECTS MAY PARTICIPATE?

Any HPD or HDC-assisted building is eligible as long as it meets the criteria described above. This can include rental buildings, Mitchell Lama rental buildings and cooperatives (City-assisted) and HDFC cooperatives.

6. ARE THERE ANY BUILDING SIZE RESTRICTIONS FOR THE PROGRAM?

Yes, only buildings with 4 or more units are eligible for the credit. A project which contains buildings with more and less than 4 units is still eligible to apply, but only the buildings with at least 4 units will be eligible for the credit.

7. ARE THERE LIMITED SPOTS IN THE PROGRAM?

There are a limited number of units that can benefit from the credit. Projects will be prioritized by lowest to highest collectable rent affordable to households earning up to 60% of AMI. Only complete applications will be reviewed.

8. WHAT IS THE DEADLINE TO APPLY?

The deadline to apply is October 15th, 2018. Qualifying buildings will be informed about their application status by February 1st 2018.

9. WHEN WILL BUILDINGS RECEIVE THE CREDIT?

For metered buildings, the building will likely receive the credit on their first calendar year 2019 water and sewer bill. For buildings billed on the MCP rate, they will receive the credit on their next annual bill in late May 2019.

AFFORDABILITY CRITERIA

10. WHAT ARE THE AFFORDABILITY ELIGIBILITY CRITERIA?

Rent Affordability: Average collectable rents (rentals) or maintenance fees (coops) (including any applicable subsidies, such as Section 8, LINC, etc) for the project must be affordable to households earning up to 60% of AMI, using a Rent Roll, effective as of the date of application. The project can have income limits higher than 60% of AMI as long as the average collected rent is affordable to those earning up to 60% of AMI. The affordability criteria are based on the entire project.

Use Restriction: Projects must have an executed and recorded regulatory agreement or equivalent document with HPD or HDC with a minimum of 15 years remaining that restricts 100% of the residential units.

11. WHAT DOES IT MEAN THAT BUILDINGS MUST HAVE AVERAGE RENTS AFFORDABLE TO RESIDENTS EARNING UP TO 60% OF AREA MEDIAN INCOME (AMI)?

Every year, the federal Department of Housing and Urban Development (HUD) establishes the annual AMI for every metropolitan area in the United States based on the Fair Market Rent (FMR) of an area. In 2018, the AMI for New York City for a family of four is \$104,300. This means that 50% of New York households earn more than this figure and 50% earn less. 60% of AMI for a family of four translates to annual household earnings of \$62,580 and a maximum affordable monthly rent of \$1,565. The maximum affordable rent is based on residents paying no more than 30% of their income towards rent. Households that pay more than 30% of their income towards rent are considered rent burdened.

12. HOW CAN I CALCULATE MY AVERAGE AMI?

Applicants **must** fill out the rent roll in the Multifamily Water Assistance Program for Affordable Housing Application (this is downloadable from the application). The application will automatically calculate your AMI based on collected rents (the combination of contract rents charged to tenants **and** any subsidies or vouchers they may receive).

For projects with multiple DEP accounts, the Certified Rent Roll submitted with the main Online Application **must** include the rent roll for each building in the entire project, not just the building whose DEP account information was included in the main Online Application.

13. HOW RECENT DO THE RENT ROLLS HAVE TO BE?

Rent rolls should reflect the actual building collectible rents. So long as they are still accurate, there is no specific “expiration date.”

14. WHERE CAN I FIND MY RECORDED REGULATORY AGREEMENT?

A digital copy of the project’s regulatory agreement must be uploaded to the application. All documents can be downloaded from the [Automated City Register Information System \(ACRIS\)](#). Buildings can search for their regulatory agreement by borough, block and lot (BBL) number. A regulatory document must clearly state the date that it became effective and the period of the restriction. All buildings in each application should be covered by a single regulatory agreement. Buildings covered by a separate regulatory agreement should submit an additional application for that project.

15. WHY DO BUILDINGS NEED TO HAVE 15 YEARS REMAINING ON A REGULATORY AGREEMENT IN ORDER TO PARTICIPATE IN THE PROGRAM?

As there are limited resources for this credit, priority is given to support the financial sustainability of buildings committed to the long-term affordability of the City's housing stock.

16. IS A PROJECT PARTICIPATING IN ONE OF HPD'S DIVISION OF PROPERTY DISPOSITION AND FINANCE LOAN PROGRAMS ELIGIBLE TO APPLY FOR THE CREDIT?

Yes, a project receiving financing through the TPT, MPLP, or ANCP loan program can apply to receive the credit if the project meets the eligibility criteria. At the project's conversion to permanent financing, the project may apply for the credit through HPD's Division of Asset Management by submitting an application via email to AMwater@hpd.nyc.gov.

17. CAN A PROJECT EXTEND ITS REGULATORY AGREEMENT TO TAKE ADVANTAGE OF THE CREDIT?

Projects interested in obtaining a rehabilitation loan in conjunction with an extension of their HPD or HDC regulatory agreement should contact HPD's Division of Preservation Finance or HDC's Division of Preservation Finance, respectively. Information on HPD Preservation Finance programs can be found at the HPD website or by contacting hpdpres@hpd.nyc.gov. To contact HDC Preservation Finance regarding the Multifamily Water Assistance Program for Affordable Housing, please email AMwater@nychdc.com.

18. CAN BUILDINGS WITH A REGULATORY AGREEMENT FROM ANOTHER AGENCY, SUCH AS HUD OR DHCR PARTICIPATE? CAN STATE-SUPPORTED MITCHELL LAMAS PARTICIPATE?

No, only buildings with fifteen years remaining on a **City-issued** regulatory agreement are eligible to apply for the credit.

DEP Conservation Criteria

19. WHAT ARE THE CONSERVATION ELIGIBILITY CRITERIA?

All buildings must demonstrate efficient water usage either through compliance with the Multifamily Conservation Program (MCP) or as evidenced by paying a metered water rate. The requirements listed below are specific to the MCP program. Buildings billed on the MCP rate must meet the compliance requirements by the date of their application submission to enroll in the discounted water rate.

MCP Requirements:

- Have meters that are equipped with Automated Meter Reading (AMR) devices
- Have low-flow toilets in at least 70% of all units
- Have low flow showerheads and faucet aerators in 70% of all units
- Have separately metered commercial units that have projected annual consumption of more than 63,000 gallons annually (this is for water-intensive businesses such as restaurants, salons, and medical facilities)

Conservation criteria are evaluated on a building basis. For example, a project with three buildings could income qualify based on all three buildings' rent; however, if one out of the three buildings

does not meet the conservation criteria then that building could not receive the credit but the other two eligible buildings could.

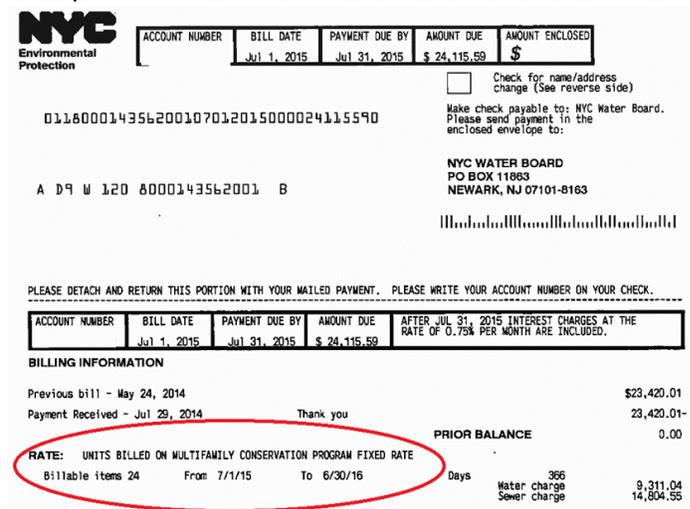
20. WHERE CAN I GO TO LEARN MORE ABOUT THE MCP PROGRAM AND ITS REQUIREMENTS?

You can learn more about the MCP program [here](#). Frequently Asked Questions about the MCP program can be found at [here](#). If you have specific questions regarding your water bill or MCP, please contact DEP directly at (718) 595-7000.

21. HOW DO I KNOW WHETHER A BUILDING IS BILLED ON THE MCP RATE OR METERED BILLING?

Your DEP bill will show this information. On the bottom of your bill next to “Rate” it will either say “Units billed on Multi-family conservation program fixed rate” which is the MCP rate or “Basic Water and Sewer” which is metered billing. Please see the below example, provided by DEP.

Example of an MCP Rate Bill:

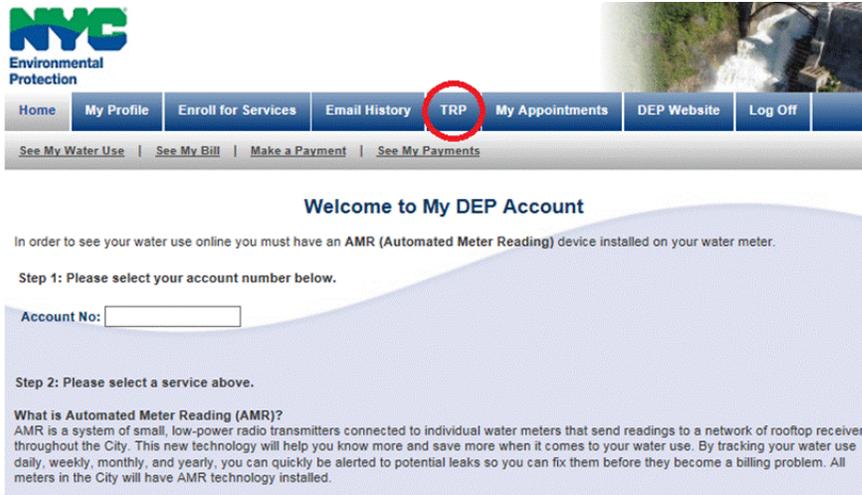


Buildings billed on the MCP rate must meet all conservation requirements by December 31st, 2017 to enroll in the discounted water rate program. Projects billed on a metered rate are not required to meet these conservation criteria before receiving the credit.

22. WHAT RESOURCES EXIST TO HELP PAY FOR THE COSTS OF MEETING THE CONSERVATION CRITERIA?

Buildings currently on the MCP rate may be able to take advantage of the Toilet Replacement Program (TRP), which provides vouchers to cover the cost to purchase a new, low-flow toilet. More information about the toilet replacement program is available [here](#). Buildings can also login to their [My DEP](#) account and see whether they have the option to apply for the TRP (see below).

My DEP website showing the TRP tab:



DEP can assist with the installation of the automated meter reading (AMR) device. More information can be found about AMR devices [here](#).

23. HOW CAN I VERIFY IF A BUILDING HAS MET THE MCP REQUIREMENTS?

Buildings should check the “MCP Building Compliance” list on the [Compliant Multifamily Conservation Program \(MCP\) Properties webpage](#). Buildings can look up their accounts by borough, block and lot or service address to see whether they are compliant with the conservation requirements. Properties that meet all MCP conservation requirements will be able to print an MCP conservation compliance letter.

If you believe your building was erroneously listed as noncompliant, contact DEP’s customer service at (718) 595-7000.

24. CAN BUILDINGS WITH METERED WATER RATES APPLY TO THIS PROGRAM?

Yes, buildings charged metered water rates are eligible for this program. Buildings charged the MCP flat rate are also eligible, but they must meet the conservation requirements as stated previously.

25. ARE BUILDINGS ON DEP METERED WATER AND SEWER BILLING REQUIRED TO MEET ANY CONSERVATION REQUIREMENTS?

No, they are not.

GOOD STANDING

26. WHAT ARE THE PERFORMANCE ELIGIBILITY CRITERIA? WHAT DOES IT MEAN FOR A BUILDING TO BE IN “GOOD STANDING” WITH THE CITY?

Good standing is demonstrated by being current on DEP or DOF payments or being in a payment plan as evidenced by submission of the most recent DEP and DOF bill(s). If an individual building in the project is not in good standing, then the entire project may be ineligible for the program. In special cases where a building is actively working with HPD/HDC Asset Management on addressing outstanding arrears, a waiver for this requirement may be requested.

27. HOW CAN I PROVIDE EVIDENCE THAT MY BUILDING IS WORKING WITH HPD OR HDC ASSET MANAGEMENT TO BRING THE BUILDING INTO GOOD STANDING WITH THE CITY?

If one or more buildings in the project are not in good standing with the City, but the Sponsor/Owner is actively working with HPD or HDC Asset Management, the Owner should submit an additional statement with their application explaining the circumstances.

QUESTIONS ABOUT THE APPLICATION

28. WHO CAN COMPLETE THE APPLICATION?

For rentals and Mitchell Lamas (both coops and rentals), an owner, property manager or a staff member of the ownership entity can digitally sign the application. For HDFC Coops, either a board member, property manager, or a UHAB / NHS staff member can digitally sign.

29. THE APPLICATION ONLY ALLOWS FOR ONE DEP ACCOUNT NUMBER TO BE INPUTTED. WHAT IF A PROJECT HAS MORE THAN ONE DEP ACCOUNT NUMBER ASSOCIATED WITH IT?

If a project has more than one DEP account number associated with it, then an owner / sponsor must complete the **Additional DEP Account Form** for each additional DEP account number associated with the project. Once an application is submitted, you will be prompted to complete the **Additional DEP Account Form**, if necessary.

30. WHAT IF THERE ARE MULTIPLE BUILDINGS ASSOCIATED WITH ONE DEP ACCOUNT NUMBER? HOW DO I ADD THE ADDITIONAL BUILDINGS?

If there are multiple buildings associated with one DEP account number, then include all of the buildings associated with that DEP account number by using commas to separate the addresses and blocks and lots.

See here for an example of how to input multiple buildings associated with one DEP account number:

Building Information

List the full details for each building that is associated with a single DEP Account Number.

DEP Account Number* (XXXXX-XXXXX-XXX)

Building Street Address* (separate additional building addresses by commas)

Borough*

Block* (separate additional blocks by commas)

Lot* (separate additional lots by commas)

31. SHOULD I INPUT THE TOTAL NUMBER OF RESIDENTIAL UNITS ASSOCIATED WITH THE PROJECT OR THE DEP ACCOUNT NUMBER?

Only input the total number of residential units associated with the DEP account number. For example, if the total project consists of 1,000 units, but one DEP account number associated with the project only consists of 500 units, then only input 500 units.

32. BECAUSE A PROJECT MUST MEET THE AFFORDABILITY CRITERIA IN ORDER TO QUALIFY, SHOULD I INCLUDE ALL OF THE BUILDINGS ASSOCIATED WITH THE PROJECT IN THE RENT ROLL, OR JUST THE BUILDINGS ASSOCIATED WITH THE DEP ACCOUNT NUMBER?

You must include **all** of the buildings associated with the project in the rent roll. HPD and HDC are looking to see if the buildings meet the affordability criteria on a project level.

For example, if there are 2 buildings associated with the DEP Account #, but there are 5 buildings in the project, all 5 buildings must be included in the rent roll.