

**DRAFT**

**LOWER MANHATTAN DEVELOPMENT CORPORATION**

**in cooperation with**

**THE STATE OF NEW YORK AND  
THE CITY OF NEW YORK**

**INITIAL CRITERIA FOR  
INDIVIDUALS**

## Initial Criteria for Individuals

### *Housing Assistance*

This plan offers substantial financial incentives to offset the perceived and real disadvantages of a lower Manhattan location. To encourage individuals to sign or renew leases, or purchase housing, in lower Manhattan, the following is proposed:

1. Rental units and owner occupied housing within the Immediate Impact Zone (defined as the area south of Chambers Street and west of Broadway, and the entirety of Battery Park City) will be eligible for a grant of 30% of the monthly rent (or mortgage payments, plus maintenance costs and taxes for purchased units), up to \$12,000 over two years. To provide maximum benefit to lower income individuals in the area, the Plan provides a minimum grant of \$4,000 per assisted unit over two years.
2. Rental units and owner occupied housing outside of the Immediate Impact Zone (as defined above) but South of Canal Street and Rutgers Street in Manhattan will be eligible for a grant of 30% of the monthly rent (or mortgage payments plus maintenance costs and taxes for owner occupied units), up to \$6,000 over two years. To provide maximum benefit to lower income individuals in the area, the Plan provides a minimum grant of \$2,000 per assisted unit over two years.
3. For rental housing:
  - Payments will be made available to:
    - (a) New tenants who sign at least a two-year lease after the commencement date of the program and whose lease term begins prior to 8/31/03.
    - (b) Existing tenants who entered into at least a two-year lease prior to the commencement date of the program and whose lease term expires after 8/31/03.
    - (c) Existing tenants whose lease term ends prior to 8/31/03 will be eligible for payments under the program upon the renewal of their lease for at least a two-year term.
  - To be eligible for the program, the rents paid by tenants in categories (a) and (c) may be no more than the pre-9/11/01 rates for the same rental unit, plus applicable increases for rent-stabilized and rent-controlled units. Going forward, these rates may be adjusted to reflect market conditions.
  - The tenant must occupy the apartment for which assistance is provided.

- Existing tenants who occupied their apartment as of 9/11/01 and who apply for assistance will be eligible for an additional grant of \$1,000.
  - Existing tenants must show that their rental payments are up to date (or have otherwise been lawfully placed in escrow).
  - Payments under the program will be made directly to eligible tenants for up to two years. One grant will be made per apartment.
  - Additional eligibility criteria regarding health, safety, and habitability of buildings may be applied.
4. For owner occupied housing:
- Payments will be made available to:
    - (a) Existing owners who agree to remain for at least two years after the commencement date of the program.
    - (b) For new owners who purchase between 9/11/01 and 8/31/03 and who agree to remain for at least two years.
  - Only owner-occupied residences will be eligible for assistance. Owners who lease out their residences will not be eligible for this assistance, but their tenants will be eligible pursuant to Section 3.
  - Existing owners who occupied their apartment as of 9/11/01 and who apply for assistance will be eligible for an additional grant of \$1,000.
  - Existing owners will be required to show that mortgage, maintenance and tax payments are current (or have otherwise been lawfully placed in escrow).
5. Number of units included in the program:
- Housing units in the Immediate Impact Zone: 5,000
  - Housing units south of Canal Street (less Immediate Impact Zone): 22,200
6. Estimated program cost: Approximately \$175,000,000 to \$220,000,000 (assumes 80% to 100% participation)

***Administration***

It is anticipated that LMDC will contract with one or more entities to provide administrative services in connection with this housing assistance program.

***Employment Training Assistance***

This Plan will provide grants to businesses in the area south of 14<sup>th</sup> Street. Such grants will prioritize individuals affected by 9/11, providing them with the skills they need to succeed at the specific work processes found at those businesses.

1. Assistance will be in the form of grants to businesses south of 14<sup>th</sup> street. These grants will be used for training and retraining for skills specific to these businesses' and employees' needs.
2. Eligible firms must employ fewer than 500 people.
3. The maximum benefit will be 50% of eligible training costs.
4. Groups of small firms (so-called training consortia) will be eligible applicants, and could receive a fee of up to 5% of training costs for administration.
5. Up to \$10 million will be allocated through this Plan.
6. ESD estimates that this program will provide assistance to approximately 5,000 individuals.

***Administration***

It is anticipated that the employment training assistance program will be administered by the Empire State Development Corporation.

***Public Comment Process***

To assist in the rebuilding and revitalization of Lower Manhattan, the U. S. Department of Housing and Urban Development is providing the Local Manhattan Development Corporation with a \$2 billion Community Development Block Grant. A portion of these funds will be made available in the form of assistance to qualified individuals, not-for-profits and businesses impacted by the disaster that commit to living and working in Lower Manhattan. Funds totaling \$700 million have already been allocated to the state to assist not-for-profits and businesses in Lower Manhattan.

The Lower Manhattan Development Corporation (LMDC), a subsidiary of Empire State Development, has now developed the Draft Assistance Plan for Individuals outlining the initial criteria for the disbursement of these funds to individuals. The Plan offers financial assistance to individuals who currently live and agree to remain in Lower Manhattan while creating financial incentives to encourage individuals to move to the area. The Plan also provides job training assistance to affected individuals to help prepare them for employment at companies in Lower Manhattan. LMDC is seeking public comment on the Plan which must be received no later than

March 13, 2002. Comments may be submitted via e-mail to [LMDC@empire.state.ny.us](mailto:LMDC@empire.state.ny.us) or by mail to:

The Lower Manhattan Development Corporation  
Invitation for Public Comment  
Draft Assistance Plan for Individuals  
c/o Empire State Development Corporation  
P.O. Box 4438  
Grand Central Station  
New York, NY 10017

Copies of the Draft Assistance Plan for Individuals will be available to the public on Friday, February 22<sup>nd</sup> at the following locations:

- [www.nylovesbiz.com](http://www.nylovesbiz.com)
- [www.newyorkbiz.com](http://www.newyorkbiz.com)
- Battery Park City Authority
- Downtown Alliance, 120 Broadway, Suite 3340
- The New York City Partnership, One Battery Park Plaza, 5<sup>th</sup> Floor
- World Trade Center Business Recovery Centers, 2 Rector Street and 140 William Street
- Empire State Development New York City Offices at 633 Third Avenue (Lobby) between 40<sup>th</sup> & 41<sup>st</sup>.
- Community Board 1, 51 Chambers Street, Suite 429
- Community Board 3, 5 East 4<sup>th</sup> Street
- New York Public Library located at 42<sup>nd</sup> Street & 5<sup>th</sup> Avenue, and at the Murray Street/New Amsterdam regional branch at 9 Murray Street

Following the initial comment period, LMDC is required to submit the Plan to the U.S. Department of Housing and Urban Development. Upon submission to HUD, public comment will once again be solicited prior to final approval.