Governor David A. Paterson has announced a total of $4,175,500 in grants as part of New York’s continuing efforts to address the subprime mortgage crisis. $446,000 will be awarded to Greater Sheepshead Bay Development Corporation, which will partner with Midwood Development Corporation and Legal Services NYC to provide Southeastern Brooklyn homeowners with outreach, education, counseling, mitigation, and mediation services. The organizations will also hold foreclosure workshops and publish a newsletter for at-risk homeowners. An additional $720,000 will be awarded to Brooklyn Housing and Family Services, Inc., which will partner with Brooklyn Legal Services Corporation A (a program of Legal Services NYC) to provide outreach, education, financial counseling, legal representation, and court-based services to more than 1,000 households.

Find the full press release from Governor Paterson’s office below:

Governor David A. Paterson has announced a total of $4,175,500 in grants as part of New York’s continuing efforts to address the subprime mortgage crisis. Consistent with the initial grants announced in July 2008, the grants announced today will be provided to non-profit agencies for homeownership assistance and foreclosure prevention counseling, advocacy and legal services. Governor Paterson has made the mortgage crisis a priority of his administration, demonstrated with the passage and signing of a historic subprime agreement this summer.

“Recent action by the U.S. Treasury Department to place both Freddie Mac and Fannie Mae into conservatorship clearly highlights the need to reassess our federal banking regulatory system. New York State has already started to take these steps,” said Governor Paterson. “Both on the federal and state level, we need to bring stability to the market and ensure the continued availability of credit. In the meantime, we must assist homeowners who are facing foreclosure today. These grants will help our residents keep their homes and help protect the solvency of our financial institutions.”

The New York State Division of Housing and Community Renewal (DHCR) awarded $3,696,000 from the State’s $25 million Subprime Foreclosure Prevention Program to seven non-profit organizations around the State to help homeowners at risk of foreclosure. Additionally, the Banking Department awarded $479,500 in grants to five agencies to provide foreclosure prevention services from a $2 million settlement fund from prior Banking Department enforcement actions. Additional grant funding will be announced at a later date.

Division of Housing and Community Renewal Commissioner Deborah VanAmerongen said: “Governor Paterson and the Legislature deserve much credit for including $25 million for the Subprime Foreclosure Prevention Program in this year’s budget. This funding will allow us to mobilize the State’s vast network of not-for-profit organizations to provide counseling, legal, mediation, and other support services for homeowners who entered into subprime or unconventional mortgages.”

Richard H. Neiman, Superintendent of Banks for the State of New York, said: “New York is demonstrating its commitment to New Yorkers at risk of foreclosure through a variety of actions ranging from the recent legislation signed by Governor Paterson to the grants announced today. These grants, which are derived from enforcement fines and settlements, will enhance the level of support for homeowners facing foreclosure throughout the state.”

The seven organizations awarded grants from DHCR are:

- $446,000 to Greater Sheepshead Bay Development Corporation, which will partner with Midwood Development Corporation and Legal Services NYC to provide Southeastern Brooklyn homeowners with outreach, education, counseling, mitigation, and mediation services. The organizations will also hold foreclosure workshops and publish a newsletter for at-risk homeowners.
- $720,000 to Brooklyn Housing and Family Services, Inc., which will partner with Brooklyn Legal Services Corporation to provide outreach, education, financial counseling, legal representation, and court-based services to more than 1,000 households.
- $540,000 to Ridgewood Bushwick Senior Citizens Council, Inc., which will collaborate with Queens Multi Service Center, Northern Bushwick Residents Association, and Southside Williamsburg Task Force to expand existing foreclosure services to north Brooklyn and parts of Queens.
- $575,000 to the Long Island Housing Partnership, Inc., which will collaborate with Nassau Suffolk Law Services Committee, Inc. to expand their existing program and outreach efforts, including developing a web site to target at-risk homeowners.
- $545,000 to Westchester Residential Opportunities, Inc., which will partner with the Legal Services of the Hudson Valley to provide Westchester County homeowners with a full spectrum of housing counseling and legal services to avoid foreclosure and homelessness.
- $700,000 to Empire Justice Center in Rochester, which will partner with The Housing Council and the Legal Aid Society to implement a foreclosure prevention program in Monroe, Livingston, Ontario, Orleans and Wayne Counties.
- $170,000 to Utica NHS NeighborWorks HomeOwnership Center, which will partner with the Legal Aid Society of Mid-New York to implement a foreclosure prevention program in Oneida, Herkimer and Madison Counties. Services will include a 24-hour helpline.

DHCR’s Housing Trust Fund Corporation has worked with the Banking Department, Office of Court Administration, and HFA/SONYMA to develop a continuous open window RFP for not-for-profits seeking funds under the Program. Proposals for funding will be accepted continuously until all program funds have been disbursed.

For more information on the program and to access a list of organizations around the State that have received public funding to provide foreclosure prevention services, go to www.nysdhcr.gov.

The five organizations awarded grants from the New York State Banking Department are:

- $100,000 to Community Development Corporation of Long Island, which will provide expanded housing counseling services to residents of Nassau and Suffolk counties over a two-year period.
- $100,000 to Rural Ulster Preservation Company, which will partner with the Legal Services of the Hudson Valley to provide individual housing counseling, loss mitigation and legal representation. The grantee will also conduct outreach and information sessions. Geographic areas to be covered are Ulster, Orange and Sullivan counties.
- $100,000 to Rockland Housing Action Coalition which will provide expanded housing counseling services to residents of Rockland and Orange counties over a two-year period and will also be willing to serve Westchester and Ulster counties.
- $100,000 to Housing Action Council, which will partner with Community Capital Resources and Legal Services of the Hudson Valley to provide individual housing counseling, loss mitigation and legal representation to residents of Westchester, Putnam and Rockland counties over one year. The organizations will also engage in community outreach and marketing, develop information and educational services, train and advise community advocates and attorneys, and produce written and web-based community education and self-help materials.
- $79,500 to Nassau/Suffolk Law Services Committee Inc., which will provide legal advice and representation to homeowners in Nassau and Suffolk counties who are facing foreclosure.

In addition to the recipients noted above, in July 2008, the Banking Department awarded more than $790,000 in grants to eight agencies throughout New York City and intends to award an additional approximately $700,000 to a number of agencies serving other areas of the State from the $2 million settlement fund from prior Banking Department enforcement actions.

The New York State Banking Department is the regulator for all state-chartered banking institutions, virtually all of the United States offices of international banking institutions, all of the State’s mortgage brokers, mortgage bankers, check cashers, money transmitters and budget planners. The aggregate assets of the depository institutions supervised by the Banking Department are more than $1.8 trillion.

In addition to regulating banking institutions, the Banking Department is active in informing and educating all New Yorkers on banking matters. To contact the Banking Department, please call 1-877-BANK-NYS or visit the Web site at www.banking.state.ny.us.