

# **Request for Proposals**

## **Multi-Family Programs**

### New York State Homes & Community Renewal

Division of Housing and Community Renewal  
Housing Trust Fund Corporation

9% Low-Income Housing Credit Program  
State Low Income Housing Credit Program  
Low Income Housing Trust Fund Program  
New York State HOME Program  
Urban Initiatives Program  
Rural Area Revitalization Projects Program  
Community Investment Fund

August 2013

## **I. Introduction**

### **A. General Information:**

New York State Homes & Community Renewal (HCR) seeks proposals for the preservation and creation of high quality affordable housing throughout the State by investing certain resources of the agency identified herein. HCR acting through the Division of Housing and Community Renewal (DHCR) and the Housing Trust Fund Corporation (HTFC) invites you to apply for these housing assistance resources through this Unified Funding (UF) 2013 Multi-Family Programs Request for Proposals (RFP). This RFP describes the programmatic and submission requirements for the four UF Programs: the Low-Income Housing Credit Program (LIHC), the State Low-Income Housing Tax Credit Program (SLIHC), the Low-Income Housing Trust Fund Program (HTF), and the New York State HOME Program (HOME). Applicants may also apply for Urban Initiative Program (UI), and Rural Area Revitalization Program (RARP) funds, as well as Project Based Vouchers in conjunction with any of the four UF Programs listed above. Applications may not be submitted requesting UI, RARP or, Project Based Vouchers without also requesting funds from a UF Program. Also, new this year, applicants may apply for assistance through the Community Investment Fund (CIF). Under this RFP, CIF assistance may only be requested in conjunction with another UF program, unless the application is an Early Award Application for a Rural Preservation Project. Applicants may only apply for funding for the new construction, substantial rehabilitation, and moderate preservation of site-specific projects that include multi-family housing under this RFP.

Eligible applicants may also request construction funding from the Housing Development Fund Program (HDF) in conjunction with HTF and/or HOME funding.

This RFP explains the process by which HCR will accept and evaluate applications. While much of the application process is identical for all programs, each program has distinct evaluation criteria, and the review steps may vary. At the end of the funding round, unsuccessful applicants may request an exit conference with HCR staff to review their application. Prior to the application deadline, Applicants may request technical assistance with preparing an application, and are encouraged to contact HCR as early in the application preparation process as possible due to time constraints.

HCR reserves the right to award all, a portion of, or none of the program funds based upon funding availability, feasibility of applications received, the competitiveness of the applications, the applicant's ability to meet HCR criteria for funding, the applicant's ability to advance the State's housing goals, and HCR's assessment of cost reasonableness. HCR further reserves the right to review an application requesting project funds as an application for funding under other programs for which the project is eligible, and to change or disallow aspects of the applications received. HCR may make such changes an express condition of its commitment to fund the project.

## **B. New for UF 2013**

There are several important changes to the RFP for UF 2013. Below is a list of the most significant changes.

### **1. New Funding Program – Community Investment Fund (CIF)**

As part of the State's Fiscal Year 2013-2014 enacted budget, Governor Cuomo and the State Legislature have appropriated \$5.4 million for the new Rural and Urban Community Investment Fund (CIF). The Community Investment Fund statute, Article XXVII of the Private Housing Finance Law, provides that 60 percent of CIF awards will be allocated to projects located in "Urban Areas" of the State, with the remaining 40 percent of awards allocated to projects located in "Rural Areas" of the State. Based on this statutory distribution, \$2,160,000 will be allocated to projects located in Rural Areas and \$3,240,000 allocated to Urban Areas. Under this RFP, eligible applicants are invited to apply for CIF funds to support: (a) in both rural and urban areas, the non-residential (retail, commercial or community facility) components of mixed-use affordable housing developments; and, (b) in rural areas, the preservation and rehabilitation of existing affordable housing.

Please refer to Section IV, F for more specific information on the CIF.

### **2. Proposed 2013 LIHC Qualified Allocation Plan (QAP) and Proposed 2013 SLIHC Regulation**

HCR has initiated the state rule making process necessary to amend the current LIHC QAP and SLIHC Regulation. However, due to the timing of the rule making process and the anticipated schedules for the provision and announcement of Early Award project funding approvals and the final adoption of the new QAP and Regulation, projects applying under the Early Award round will be reviewed and held to the parameters and standards (including threshold eligibility and scoring criteria) of the current LIHC QAP and SLIHC Regulation through application review, the development process, construction and post-completion compliance monitoring. The current QAP and Regulation are located on the HCR website at <http://www.nyshcr.org/Publications/QAP/>.

However, all other UF 2013 applications will be subject to the requirements and provisions of the 2013 Proposed LIHC QAP and SLIHC Regulation, as applicable. Applicants are advised to review these documents for new and revised definitions, threshold eligibility, scoring criteria, processing and underwriting parameters, fee structuring and compliance monitoring provisions. The Proposed QAP and Regulation are available at:

<http://www.nyshcr.org/AboutUs/ProposedRegulations/ProposedQAP.htm>

Applicants who are considering submitting an application as part of the Early Award process are reminded that in the event that an application does not receive an Early Award, HCR may still consider that application for later funding round awards. As such, Early Award applicants who wish to have their applications considered outside the Early Award process are advised to ensure that their applications comply with all the requirements of 2013 proposed QAP and SLIHC Regulation.

### **3. LIHC Mixed-Income Pilot**

In this funding round, HCR will allow applicants to exceed the maximum annual LIHC allocation of \$22,000 per eligible unit for applications proposing new construction of family projects in New York City, provided they meet all requirements established for the Pilot. See Section IV, G, 2 for complete details about the LIHC Mixed-Income Pilot.

### **4. Energy Efficiency/Green Building Threshold Application Requirement**

As part of the proposed 2013 QAP revision, all applicants will be required to meet heightened energy performance requirements and numerous green building measures. Heightened energy performance and sustainable building techniques have rapidly become standard practice throughout the construction industry. Consistent with industry acceptance and understanding of these practices, HCR will not offer the Green Building or Energy Efficiency Initiatives as part of UF 2013. However, in recognition of the potential for increased costs for heightened energy performance, HCR will allow awards under the HTF and HOME Programs of up to \$2.2 million for projects that meet the NYSERDA Multifamily Performance Program, NYSERDA Low-rise Residential Construction Program, EPA ENERGY STAR Multifamily High Rise Program, EPA

ENERGY STAR Certified Homes, or Enterprise Green Communities Criteria, as described in this RFP.

## **5. Cost Considerations**

HCR has instituted two additional measures to encourage cost-effective development of projects: a new Cost Effectiveness scoring criterion and a High Cost threshold. Please see Section VI, E for more information on both of these new measures.

HCR will now also apply the HTFC Design Handbook maximum square footage limits to all projects seeking funding as part of UF 2013. In prior funding rounds, only projects requesting HTF and/or HOME funding were subject to the HTFC limits.

## **C. Table of Contents:**

This document consists of the following seven sections:

I. Introduction

II. Application Submission Deadlines & Additional Submission Information

III. Early Award Projects

IV. Program Announcements/Initiatives

V. Additional Guidance for the UF 2013 Round

VI. Evaluation and Selection Process

VII. Regional Office Service Areas

## **II. Application Submission Deadlines & Additional Submission Information**

### **A. Application Submission Deadlines**

Applications for capital project funding are submitted using the Community Development Online (CDOL) Application System, located on the HCR website at:

<http://www.nyshcr.org/Apps/CDOnline/>

Printable instructions and screen shots of the CDOL Exhibits for the UF 2013 CDOL application will be available on the HCR Website at:

<http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2013/>

UF 2013 will have two Capital application deadlines. The first deadline will be for Early Award Projects, which meet criteria set forth in Section III of this document. The second deadline is for all other capital projects. Applications for Early Award Projects must be completed and submitted by 5:00 PM on Thursday, October 10, 2013. All other UF 2013 capital applications must be completed and submitted by 5:00 PM on Thursday, December 5, 2013. In the event that an application does not receive an Early Award, the application may be considered by HCR for an award as part of later funding round decisions.

Prior to application submission, HCR project management, underwriting and design staff will be available to answer questions from prospective applicants. Regional Offices are listed in Section VII of this document. After submission of a UF 2013 capital application, unsolicited contact with HCR staff is not permitted until after funding notifications have been made.

Prior to the applicable application deadlines, prospective applicants may also submit questions to [UnifiedFunding@nyshcr.org](mailto:UnifiedFunding@nyshcr.org).

## **B. Additional Submission Information/Materials**

Applicants requesting LIHC and/or SLIHC must submit an application fee of \$3,000 **per program** at the time of submission, with the following exception: not-for-profit applicants (or their wholly-owned subsidiaries) which will be the sole general partner (or co-general partner with another non-profit) of the partnership/project owner or the sole managing member (or co-managing member with another non-profit) of the limited liability company/project owner may request a deferral of payment until the time of credit allocation. Such waiver requests must document applicant financial hardship and inability to remit the application fee at time of application, and be submitted no later than one month in advance of the Application due date. Send waiver requests to:

Mr. Arnon Adler, Tax Credit Program Manager  
6<sup>th</sup> Floor South  
38-40 State St.  
Albany, NY 12207  
[aadler@nyshcr.org](mailto:aadler@nyshcr.org)

Written application fee waivers granted by HCR must be appended to the application. (See the UF 2013 Capital Application Instructions for Attachment F2 for fee submission instructions).

This RFP provides only some of the information and materials necessary for application preparation. Additional materials will be available on HCR's website at: <http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2013/>, except as where noted below.

These include:

1. the UF 2013 Capital Application, available at: <http://www.nyshcr.org/Apps/CDOnline/>;

2. printable instructions for the UF 2013 Capital Application Exhibits and Attachments, including screen shots of the CDOL Exhibits;
3. the Design Handbook;
4. the Capital Programs Manual (CPM);
5. DHCR's current 2012 LIHC Qualified Application Plan (QAP) (for Early Award Project Applications only);
6. DHCR's current 2012 SLIHC Regulation – 9 NYCRR Part 2040.14 (for Early Award Project Applications only);
7. DHCR's 2013 proposed LIHC Qualified Allocation Plan (QAP) (for all project Applications other than Early Award Applications);
8. the New York State Low-Income Housing Tax Credit (SLIHC) statute – Article 2-A
9. DHCR's 2013 Proposed SLIHC Regulation - 9 NYCRR Part 2040, Section 20401.4 (for all Applications other than Early Award Applications);
10. the Green Building Criteria Reference Manual (for use by applicants who are submitting Early Award applications and choosing to follow the 2012 LIHC QAP);
11. UF 2013 Reference Materials;
12. UF 2013 Capital Application Workshop Presentation; and,
13. the Pre-Qualified Market Analysts List.

### **III. Early Award Projects**

#### **A. General Information**

HCR seeks to encourage high quality, high readiness projects that advance specific housing goals of New York State by providing an accelerated application and review process as part of UF 2013. In addition to meeting the general application requirements described herein, early award applications will need to satisfy additional conditions and requirements not required of UF 2013 applications generally, including an earlier application submission deadline and a mandatory pre-application conference with HCR staff.

Applications satisfying the conditions and requirements for early awards will be provided an accelerated review and will be rated and ranked compared only to other early award applications. In the event that an application does not receive an early funding award, the application may be considered by HCR for an award as part of later funding round decisions.

In addition to satisfying the conditions and requirements generally applicable to all UF 2013 applications, applicants for early awards must also:

- Submit a complete application by 5 PM, October 10, 2013;
- Demonstrate that the project will be able to proceed to construction within 120 calendar days of award. In evaluating a project's readiness to proceed to construction within 120 days of an award, HCR will consider the development team's past performance in the delivery of units on time and on-budget in addition to project-specific indicators such as status of local approvals, relative complexity of the proposed transaction, and status of financing commitments; and,
- Provide clear documentation that the application proposes a project that will advance at least one State housing goal described below in Section B. Applications that advance more than one housing goal will be given preference.

## **B. Eligible Early Award Projects**

The following are descriptions of applications which meet State housing goals, and which may be eligible for consideration for Early Awards under UF 2013.

### **1. Revitalization and Economic Development Goals**

The following are eligible Early Award Applications under the Revitalization and Economic Development Goals category:

#### **a. Priority Projects Identified in Regional Economic Development Plans**

These applications will propose the construction and/or rehabilitation of affordable housing that are a component of projects that have been specifically endorsed in Regional Economic Council Strategic Plans, and for which significant financial assistance has been made available as part of such plans.

#### **b. Fort Drum Impact Area Projects**

These applications will propose family projects that serve the Fort Drum Impact Area and which advance the revitalization goals of the community in which the project is proposed. These applications must demonstrate readiness to complete construction and rent-up by the summer of 2015.

#### **c. Disaster Relief Projects**

These applications will propose projects in communities directly impacted by Superstorm Sandy, Hurricane Irene, or Tropical Storm Lee. Applicants must demonstrate that there was significant loss of housing within a one mile radius of

the proposed project and that the project contributes to the revitalization of the impacted community consistent with a comprehensive community rebuilding plan. Applicants must provide a letter of support for the specific project from the chief elected official of the municipality in which the project would be located and a copy of the comprehensive community rebuilding plan. Applications will need to demonstrate readiness to complete construction and rent-up by the summer of 2015. Based on a review of financing needs of the proposed disaster relief projects, including whether the applicant has proposed specific actions to reduce overall project costs, HCR will consider requests for LIHC basis boosts pursuant to the authority granted in the Housing and Economic Recovery Act of 2008.

**d. Mixed-Income/Mixed-Use Revitalization**

These applications will propose mixed-income projects in mixed-use neighborhoods that involve the use or adaptive reuse of existing underutilized buildings; infill new construction; and/or the demolition and replacement of buildings having a blighting impact on a community, and for which rehabilitation is impracticable. Applications must clearly demonstrate that the project is part of a neighborhood-specific revitalization effort that has been developed with significant community and local government involvement and that clearly demonstrates local community support of the proposed project, as evidenced by commitment of local resources, and any local actions that have been taken or will be taken in support of the project.

Preference will be given to applications that:

- demonstrate site control of land acquired through Land Banks established pursuant to Article 16 of the New York State Not-for-Profit Corporation Law;
- propose a retail component that will address an unmet community need identified in neighborhood-specific revitalization plan; and,
- propose the rehabilitation and lead abatement of existing rental housing in zip codes identified by the State Department of Health as having significant concentrations of children identified with elevated blood lead levels. Projects must propose that at least 35% of project units will involve the rehabilitation and abatement of existing rental units.

**2. Supportive Housing Goals**

The following are eligible Early Award Applications under the Supportive Housing Goals category:

**a. Supportive Housing Projects Serving Veterans with Special Needs**

These applications will propose Supportive Housing Projects, as defined in Section 2040.2(u) of the 2013 Proposed DHCR QAP, for Veterans with Special Needs. Applications must demonstrate a coordinated State investment in the project by clearly documenting firm commitments of service, operating, and development financing from State partners. Among other considerations outlined in this RFP, projects will be evaluated on the extent to which funding commitments contribute to meeting the financial needs of the proposed project.

**b. NYS Office for People with Development Disabilities (OPWDD) Supportive Housing Projects**

These applications will propose a preference in tenant selection for persons with development disabilities for up to 20 percent of a project's total units. Applicants must have a clear, documented financial commitment from New York State OPWDD in order to be considered under this goal. HCR will take into account the level of OPWDD commitment in awarding projects under this goal.

**3. Workforce Opportunity Goals**

The following are eligible Early Award Applications under the Workforce Opportunity Goals category:

**a. Housing Opportunity Projects**

These applications will propose workforce housing in areas experiencing economic growth that are served by high performing school districts. Projects must be located in areas that have stable or growing tax bases, and must also be in close proximity to public transportation, child care, and employment opportunities. Additionally, Housing Opportunity Projects must be located in areas that have low rental vacancy rates and a high percentage of renters paying 30% or more of their household income on housing. Applications that clearly advance this goal will be eligible for a 130% LIHC basis boost authorized by the Housing and Economic Recovery Act of 2008.

**b. Transit Oriented Development (TOD)**

These applications will propose workforce housing projects in close proximity to Metropolitan Transit Authority (MTA) rail stations outside NYC, or which are in communities that have completed and are implementing TOD plans that will clearly link the proposed project to expanded transportation choices for tenants.

**4. Affordable Housing Preservation Goals**

The following are eligible Early Award Applications under the Affordable Housing Preservation Goals category:

**a. Mitchell-Lama Portfolio Projects**

Applications that propose the redevelopment or preservation of Mitchell Lama Housing units that have been transferred from the NYS Empire State Development Corporation to NYS Homes and Community Renewal (HCR) as part of Governor Cuomo's \$1 billion House NY Program. Applications must demonstrate to the satisfaction of HCR that the refinancing and preservation of the units would be infeasible as part of a plan of finance that relies on 4% LIHC and tax-exempt bonds without additional HCR subsidies in excess of amounts typically made available in connection with such financings. Applicants under this goal must demonstrate successful prior experience in the management of affordable housing properties (with preference for Mitchell-Lama properties) and must maximize the use of all non-HCR resources available for the redevelopment and preservation of this housing portfolio.

**b. Rural Preservation Projects**

Applications that propose the rehabilitation of projects currently receiving Rural Rental Assistance Program (RRAP) funds. Applications must propose a scope of work that extends the expected useful life of the project by no less than 20 years and satisfies heightened energy efficiency standards specified by HCR in this RFP. Successful applications must demonstrate that the rehabilitation will be undertaken as part of a plan of finance that will result in ongoing reductions of RRAP funding, and that at least 90 percent of the proposed total development costs will be directly related to physical improvements that will extend the useful life and improve the habitability and energy efficiency of the project. The only source of funding that may be requested under this goal is the Community Investment Fund (CIF). Requests are limited to \$1 million in CIF funds, and \$30,000 per unit, and must satisfy all CIF program requirements described in this RFP.

**c. State Public Housing Restructuring Projects**

Applications that propose the restructuring and preservation of State-supervised public housing projects. Only those developments that have been recommended by NYS HCR's Office of Housing Preservation for restructuring, and which have been awarded Public Housing Modernization Funds will be considered under this goal. Applications must demonstrate to the satisfaction of HCR that the refinancing and preservation of the units would be infeasible as part of a plan of finance that relies on 4% LIHC and tax-exempt bonds without additional HCR subsidies in excess of amounts typically made available in connection with such financings.

**C. Early Award Application Program Note**

As noted in Section B.3. above, HCR has initiated the state rule making process amending the current LIHC QAP and SLIHC Regulation. However, due to the rule making process timeframe and anticipated date for Early Award project funding

announcements, projects submitted under the Early Award round will be reviewed and held to the standards of the current LIHC QAP and SLIHC Regulation through project development, construction and post-completion compliance monitoring. The current QAP and Regulation are located on the HCR website at <http://www.nyshcr.org/Publications/QAP/>.

All other UF 2013 applications will be subject to the parameters, requirements and criteria set forth in the 2013 Proposed LIHC QAP and SLIHC Regulation, as applicable.

Applicants who are considering submitting an application as part of the Early Award process are reminded that in the event that an application does not receive an Early Award, HCR may still consider that application for later funding round awards. As such, Early Award applicants who wish to have their applications considered outside the Early Award process are advised to ensure that their applications comply with all the requirements of 2013 proposed QAP and SLIHC Regulation.

#### **IV. Program Announcements/Initiatives**

##### **A. Low-Income Housing Credit Program (LIHC)**

LIHC provides a dollar-for-dollar reduction in federal tax liability to investors in qualified low-income housing that meets the requirements of Section 42 of the Internal Revenue Code (IRC).

LIHC is available to project owners who acquire, construct, and/or rehabilitate rental housing that is reserved for low-income households. The amount of credit allocated to a project is directly related to the costs associated with the acquisition, new construction and/or rehabilitation of rental housing that is reserved for low-income households per Section 42 of IRC.

Applicants requesting LIHC are referred to Section 42 of the IRC and are advised to carefully review the 2013 Proposed DHCR QAP before submitting an application. The 2013 Proposed DHCR QAP includes program definitions, threshold eligibility review criteria, project scoring and ranking criteria, clarifications regarding DHCR's allocation process, and provisions regarding project monitoring requirements. Applicants are advised that a pre-qualified market study firm must be used to prepare the professional market study required for all LIHC applications submitted for projects located outside of the City of New York,. Both the 2013 Proposed DHCR QAP and the Pre-Qualified Market Analysts list are available at: <http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2013/>. Applications proposing projects in the City of New York must include a market analysis utilizing data from the most recent edition of the New York City rent guidelines board report.

##### **1. LIHC Availability/Funding Limits**

HCR expects that approximately \$25 million will be available for UF 2013 LIHC reservations. The maximum annual LIHC allocation per unit that may be requested is

\$22,000. The maximum annual LIHC allocation per project that may be requested is \$1.43 million. However, up to \$1.65 million may be requested for projects in which: a). 50% or more of the units have three or more bedrooms to serve large families (defined as households with five or more persons); or b). 50% or more of the units will serve persons with special needs as listed in the UF 2013 Reference Materials, Section 11, and for which appropriate on- or off-site services will be provided by an experienced service provider.

Except as otherwise noted, all LIHC reservations will be made in compliance with the 2013 Proposed DHCR QAP.

## **2. LIHC Funding Set-Asides**

HCR expects to set-aside a total of \$7.3 million of the available UF 2013 LIHC for the two following program priorities: Preservation Projects (\$3.3 million) and Supportive Housing Projects (\$4 million). No more than \$1 million of the Preservation Project set-aside will be available to High Acquisition Cost Projects, as defined in Section 2040.2(i) of the 2013 Proposed DHCR QAP. DHCR may exceed these set-aside amounts depending upon the number of competitive, feasible Preservation and Supportive Housing applications received.

Preservation and Supportive Housing Projects are described below:

### **a. Preservation Projects**

A Preservation Project is one in which residential property is rehabilitated to extend its useful life to serve as affordable housing, and averts the loss of currently government regulated affordable rental housing serving the housing needs of a population whose housing need would justify the replacement of the housing if it ceased to be available to that population. The scope of the rehabilitation must be sufficient for the project to function in good repair as affordable housing for a period equal to at least 30 years from the date of issuance of the final credit allocation.

### **Preservation Projects must meet the definition set forth in Section 2020.2(q) of the 2013 Proposed DHCR QAP.**

Applicants proposing a Preservation Project must demonstrate how the project averts the loss of affordable housing, including submission of a physical needs assessment, and must: a) describe any regulatory and economic circumstances which could precipitate the loss of or risk the availability of the project to low-income households; and, b) provide a compelling rationale for preserving the existing project based upon economic conditions including the availability of alternative affordable housing, market rents, vacancy rates, and current and future

demand. Preservation projects that are still subject to regulatory agreements with HCR or any of its agencies must also provide a compelling rationale explaining why it is in the State's interests for HCR to release the current ownership from their existing obligations to the State if a transfer of ownership is proposed in the application.

**Applicants must request a site visit from HCR to observe the building's existing condition and discuss proposed renovations PRIOR to submission of the application. Requests for site visits must be made no later than 30 days prior to the application deadline under which the applicant intends to submit. At a minimum, a draft physical needs assessment must accompany this request. Failure to meet the above requirements will result in exclusion from the Preservation Project funding set-aside. As a condition of any potential award, HCR reserves the right to require modifications of a proposed scope of work based on the results of its site visit and review of the physical needs assessment.**

Where project acquisition cost includes the assumption of existing loan(s) funded by New York State (e.g. HTF, HFA, ESDC), HCR will not allow a developer fee to be earned on the portion of acquisition funded by such loans.

Preservation Projects proposing the redevelopment of public housing must meet the criteria and conditions for approvals under the New York State Public Housing Law. Such projects may include the economic restructuring and rehabilitation of an existing public housing project. Applicants must have a pre-application meeting with HCR Finance and Development and Public Housing staff regarding the review and approval of the redevelopment plan **prior** to submitting a Preservation Project application.

As mentioned above, no more than \$1 million of the Preservation Project set-aside will be available for High Acquisition Cost Preservation Projects. These are defined in Section 2040.2(i) of the 2013 Proposed DHCR QAP as Preservation Projects in which the total acquisition cost is 25 percent or more of the project's total development cost. These projects must meet the Preservation Project parameters referenced above and the definition in Section 2020.2(q) of the 2013 Proposed DHCR QAP to be eligible for funding. The amount of the developer's fee in a High Cost Acquisition Preservation Project shall be based on an assessment of risk assumed by the project owner, considering factors including, but not limited to: rent subsidies or other project operating support, location, financing sources, occupancy level, project type, and identities of interest.

b. Supportive Housing Projects

A Supportive Housing Project, as defined in Section 2040.2(u) of the 2013 Proposed DHCR QAP, is a project that gives preference in tenant selection to persons with special needs for at least 30% of the project units. Persons with special needs for the purposes of this set-aside are defined in Section 2040.2(p) of the 2013 Proposed DHCR QAP. To be considered a Supportive Housing Project under this set-aside, an application must:

- i. document the need for housing for the targeted population within the primary market area;
- ii. provide a comprehensive service plan and an agreement in writing with an experienced service provider that ensures the delivery of appropriate services for which a documented need exists for the targeted population;
- iii. propose a project site in close proximity to public transit service, or include a transportation plan as a component of the comprehensive service plan to ensure access to necessary services.
- iv. demonstrate that funding for appropriate services is in place, or identify a viable plan for securing such funding.
- v. include a provision for an ongoing rental subsidy or other form of subsidy to ensure rents paid by the targeted population remain affordable;
- vi. demonstrate a firm commitment for capital financing from a governmental agency serving the proposed target population; and,
- vii. identify a public agency or experienced service provider with which a written agreement has been executed to refer eligible persons and families for the targeted units.

### **3. LIHC Program Advisories:**

#### **a) Proposed 2013 Qualified Allocation Plan (QAP)**

Applicants requesting LIHC are referred to Section 42 of the IRC and are advised to carefully review DHCR's 2013 Proposed QAP before submitting an application. The QAP includes program definitions, threshold eligibility review criteria, and project scoring and ranking criteria, as well as the rules regarding project monitoring requirements. DHCR has initiated the State's regulation and rule making amendment process in regard to the 2013 Proposed QAP and expects to finalize the QAP in December 2013. The final QAP will be posted on the DHCR website and will be published in the New York State Register. Applicants are encouraged to monitor the

DHCR website for posting of the final version. Applicants may also contact the DHCR Regional Offices with inquiries on the status of the QAP revision.

b) Calculating Credit Requests

Applicants should use the monthly Low-Income Housing Tax Credit rate established by the IRS in calculating their credit request. The provisions of the federal Housing and Economic Recovery Act of 2008 (HERA), which previously set a temporary fixed applicable percentage of qualified basis of nine percent, is not applicable for applications submitted in this funding round, unless the federal government passes legislation to extend this provision or make it permanent.

c) LIHC Mixed-Income Pilot

For applications proposing new construction of family projects (at least 40% of project units have two or more bedrooms) in New York City, HCR will allow applicants to exceed the maximum annual LIHC allocation of \$22,000 per LIHC-eligible unit, subject to certain conditions. Applicants interested in the Mixed-Income Pilot should review the conditions and requirements described in Section IV, G2 of this RFP.

d. LIHC Regulatory Term

Pursuant to the threshold eligibility provision at Section 2040.3(e)(17) of the 2013 Proposed QAP, all project applications submitted this funding round must propose a minimum LIHC Regulatory Term of 50 years. Accordingly, this new minimum Regulatory Term will be reflected in all LIHC (and SLIHC) Reservations and Regulatory Agreements executed for awarded projects submitted under UF 2013, except as otherwise noted.

**B. New York State Low-Income Housing Tax Credit Program (SLIHC)**

SLIHC provides a dollar-for-dollar reduction in certain New York State taxes to investors in qualified low-income housing which meets the requirements of Article 2-A of the Public Housing Law and which also has received an allocation under the criteria and procedures established in the SLIHC Regulation, Section 2040.14. The 2013 Proposed SLIHC Regulation is included with the UF 2013 Materials.

The SLIHC Program is similar to the federal LIHC Program except program eligibility is set to assist households earning up to 90% of the AMI rather than the 60% standard of the federal LIHC program. As such, the SLIHC Program requires that at least 40% of the units must be set aside for households whose income is at or below 90% of the AMI.

**1. SLIHC Availability/Funding Limits**

Subject to authorization, approximately \$4 million is expected to be available for SLIHC reservations pursuant to this RFP. Applications requesting SLIHC pursuant to this Unified Funding round may not request an annual allocation of more than \$750,000 per project. The maximum annual SLIHC allocation per unit that may be requested is \$20,000.

All SLIHC reservations will be made in compliance with the 2013 Proposed DHCR QAP, the 2013 Proposed SLIHC Regulation and this RFP.

## **2. SLIHC Preference**

There is no limitation on the number or percentage of SLIHC-assisted units that may serve households at or below 60% of the AMI. However, preference will be given to projects that would qualify for the maximum number of points under the SLIHC scoring criteria for Income Mixture.

## **3. SLIHC Program Advisory**

Applicants requesting SLIHC are referred to Section 42 of the IRC, Article 2-A of Public Housing Law and DHCR's 2013 Proposed QAP, and are advised to carefully review the 2013 Proposed SLIHC Regulation before submitting an application. The 2013 Proposed QAP includes program definitions, threshold eligibility review criteria, and rules regarding project monitoring requirements that are applicable to SLIHC applications, while the 2013 Proposed SLIHC Regulation contains project scoring and ranking criteria. Acting through DHCR, HCR has initiated the State's regulation and rule making amendment process in regard to the 2013 Proposed QAP and 2013 Proposed SLIHC Regulation and expects to finalize both documents in November 2013. The final QAP and SLIHC Regulation will be posted on the HCR website and will be published in the New York State Register. Applicants are encouraged to monitor the HCR website for posting of the final version. Applicants may also contact the HCR Regional Offices with inquiries on the status of these revisions.

## **C. Low-Income Housing Trust Fund (HTF) Program**

HTF provides funding for new construction or rehabilitation of vacant, underutilized, or occupied residential property; conversion of vacant or underutilized non-residential property to residential use; and, the rehabilitation of distressed residential property for occupancy by low-income tenants, tenant-cooperators or condominium owners. A distressed residential property is a property, the rehabilitation of which would preserve affordable housing currently serving a population whose housing need would justify its replacement if it ceased to be available. Regarding underutilized nonresidential property, if the nonresidential property or portions of the property are occupied at the time an application for funding is submitted, HTF may consider the following factors in determining whether a conversion of the nonresidential property may be

eligible for HTF, including but not limited to : 1) revenue from leased space compared to the cost to operate the property; 2) whether the owner provided the occupant with an acceptable plan for the occupant's relocation; 3) the percentage of leased space compared to the total amount of space available for lease; 4) whether the current occupant of the non-residential space provides a critical service to the community which would be left unmet if the current occupant was displaced by the proposed project; and, 5) whether the land, building(s), structure(s) are currently not used or used at a lower density than the local land use plan permits and that may potentially be developed, recycled, or converted into higher density residential, commercial or mixed-use development as defined in a local land use plan.

Pursuant to statute, funding under HTF is limited to \$125,000 per unit. Up to 10 percent of the amount of the HTF award may be used for the rehabilitation, construction or conversion of community service facility. A community service facility is any facility designed to primarily serve individuals whose income would make them eligible to occupy an HTF-assisted project, including persons who reside in the HTF project or in the immediate community. Examples of possible community service facilities are: Head Start, child care, job training, primary health care, youth recreation and support services for seniors and persons with special needs. By statute, up to 50% of an HTF award may be utilized for acquisition, although preference for awards will be given to projects which will use 25% or less of the HTF award for acquisition costs.

HCR will expect that applicants seeking HTF funds for cooperatives or condominiums will assume and retain the role of monitor over the management and operations of the cooperative or condominium project to ensure that all HTF requirements are met for the duration of the Regulatory Agreement. HCR funds for cooperatives or condominiums are limited to permanent financing only. Applicants seeking HTF for cooperatives and condominiums must demonstrate the capacity to successfully develop and market projects. In evaluating such capacity, HCR will consider, among other factors, the applicant's past performance in delivering projects similar in size, scope, and market to the proposed project.

Consistent with statutory requirements, preference in making HTF awards to eligible applicants is given to projects which involve not-for-profit corporations or their wholly-owned subsidiaries. To qualify for this preference, limited partnership or limited liability corporation applicants must demonstrate that the ownership interest of the not -for-profit or its wholly-owned subsidiaries is "at least 50% of the controlling interest" of the partnership or corporation as required by Article XVIII of the Private Housing Finance Law.

Please note that the New York State Housing Trust Fund Corporation is subject to the State Smart Growth Public Infrastructure Act (Chapter 433 of the Laws of 2010) and must, to the extent applicable, make funding decisions consistent with the provisions of the Act.

## **1. HTF Availability/Funding Limits**

Subject to the availability of appropriations, HCR intends to make approximately \$32 million in HTF Program funds available to fund site-specific project applications under UF 2013. The maximum per-unit amount of HTF that may be requested is \$125,000. The maximum HTF funding request per project is \$2 million, with the following exceptions:

- a.) up to \$2.4 million may be requested for projects which meet one or more of the following criteria:
  - i.) 50% or more of the units have three or more bedrooms to serve large families (defined as households with five or more persons); and/or,
  - ii.) 50% or more of the units will serve persons with special needs as listed in the UF 2013 Reference Materials, and for which appropriate on- or off-site services will be provided by an experienced service provider, and a significant portion of the project's development financing is provided through a coordinated investment with a federal, State, or local agency; and,
- b.) up to \$2.2 million may be requested for projects that meet the NYSERDA Multifamily Performance Program, NYSERDA Low-rise Residential Construction Program, EPA ENERGY STAR Multifamily High Rise Program, EPA ENERGY STAR Certified Homes, or Enterprise Green Communities Criteria as described in this RFP.

If HCR determines a proposed project can be accomplished at a lower cost to the State than proposed, fewer funds will be awarded. For applicants who request both HTF and HOME funds for a project, the above funding limits apply to the combined HTF and HOME request.

HCR reserves the right to fund any application requesting HOME and HTF solely with HTF funds and, in these instances, will require the owner to execute a HOME Match Addendum requiring the project to meet the HOME Program definition of affordable housing.

Applicants that receive an HTF program award should be aware that the award may be claimed as a matching project for the purposes of the HOME Program and that this may impose additional requirements on the project.

#### **D. New York State HOME Program**

Under this RFP, HOME provides funds for acquisition, rehabilitation or construction for site-specific multi-family rental housing projects. Applicants are reminded that Davis-Bacon wage requirements are applicable to all construction of projects with 12 or more HOME-assisted units.

It is one of the purposes of the HOME Program to give, to the greatest extent feasible, and consistent with existing federal, state and local laws and regulations, job training, employment, contracting and other economic opportunities to low- and very low-income persons and locally owned enterprises, pursuant to Section 3 of the Housing Act of 1937. Federal law and regulations require that recipients of federal funds in excess of \$200,000 for construction or rehabilitation projects and their contractors agree to comply with the provisions set forth at 24 CFR Part 135.

New York State is required to set aside a minimum of 15% of HOME funds for locally-based non-profit entities that qualify as Community Housing Development Organizations (CHDOs). In order for a HOME multi-family rental project to qualify for the CHDO set-aside, the project ownership structure must comply with the terms of 24 CFR 92.300(a)(1) (and as may be amended per the new HOME rule), which states that funds may be provided to a CHDO, its subsidiary or a partnership of which the CHDO or its subsidiary is the managing general partner. If a CHDO owns the project in partnership, it or its wholly-owned for-profit or non-profit subsidiary must be the managing general partner. In acting in any of the capacities specified, the CHDO must have effective project control. A CHDO must state in the Application, and in the project owner's organization documents that the CHDO has effective project control. Please review the information in the HUD HOME web link as listed above, to ensure that the project meets all requirements for CHDO control of the project if you intend to compete for the CHDO set-aside.

NOTE: Please be aware that any application requesting HOME capital financing from HCR must comply with the new HOME rule as issued by HUD on July 24, 2013. The final rule is effective August 23, 2013. Use the following link to download the new HOME rule:  
<http://www.gpo.gov/fdsys/pkg/FR-2013-07-24/pdf/2013-17348.pdf>.

Please note that the New York State Housing Trust Fund Corporation is subject to the State Smart Growth Public Infrastructure Act (Chapter 433 of the Laws of 2010) and must, to the extent applicable, make funding decisions consistent with the provisions of the Act.

### **1. HOME Availability/Funding Limits**

Subject to the availability of appropriations, HCR expects to make approximately \$5.5million in HOME funds available to fund site-specific projects under UF 2013.

The maximum HOME funding request per project is \$2 million, with the following exceptions:

- a.) up to \$2.4 million may be requested for projects which meet one or more of the following criteria:
  - i.) 50% or more of the units have three or more bedrooms to serve large families (defined as households with five or more persons); and/or,

ii.) 50% or more of the units will serve persons with special needs as listed in the UF 2013 Reference Materials, and for which appropriate on- or off-site services will be provided by an experienced service provider, and a significant portion of the project's development financing is provided through a coordinated investment with a federal, State, or local agency; and,

b.) up to \$2.2 million may be requested for projects that meet the NYSEERDA Multifamily Performance Program, NYSEERDA Low-rise Residential Construction Program, EPA ENERGY STAR Multifamily High Rise Program, EPA ENERGY STAR Certified Homes, or Enterprise Green Communities Criteria as described in this RFP.

If HCR determines that a proposed project may be accomplished at a lower cost to the State than proposed, less will be awarded. For applicants who request HTF and HOME funds for a project, the above funding limits apply to the combined HTF/HOME request.

#### **E. Housing Development Fund Program (HDF)**

Subject to the availability of appropriations, HDF Program loan funds may be available to provide construction financing to eligible not-for-profit applicants who propose to use HOME or HTF Program funds as one of the sources of permanent financing for a UF 2013 project. Use of HDF funds during construction can substantially reduce construction period interest.

Eligible applicants for HDF include: Housing Development Fund Companies (HDFCs) incorporated pursuant to Article 11 of the Private Housing Finance Law and not-for-profit and charitable corporations and their wholly-owned subsidiaries which have the improvement of housing for persons of low-income as a primary purpose. Other aspects of HDF program eligibility (areas, projects, costs and occupants) are determined by the eligibility requirements of the program that is the source of permanent financing as outlined in the Eligibility Matrix (see Section VII of this RFP).

Requests for HDF funds will be evaluated in conjunction with the project's application for permanent financing. HDF eligible applicants who request HDF funds for construction financing and receive HCR awards for permanent financing may receive an HDF award, depending upon the quality of the application and the availability of funds. Applicants considering the use of HDF are encouraged to discuss their plan of financing with HCR staff prior to application submission.

#### **F. Rural and Urban Community Investment Fund (CIF)**

As part of the State's Fiscal Year 2013-2014 enacted budget, Governor Cuomo and the State Legislature have appropriated \$5.4 million for the new Rural and Urban Community Investment Fund (CIF). The Community Investment Fund statute, Article XXVII of the Private Housing Finance Law, provides that 60 percent of CIF awards will be allocated to projects located in

“Urban Areas” of the State, with the remaining 40 percent of awards allocated to projects located in “Rural Areas” of the State. Based on this statutory distribution, \$2,160,000 will be allocated to projects located in Rural Areas and \$3,240,000 allocated to Urban Areas.

### 1. Eligible Projects

Under this RFP, eligible applicants may apply for CIF funds for the following uses only:

(a) in both urban and rural areas, CIF funds may be requested for the non-residential (retail, commercial or community facility) components of eligible mixed-use affordable rental projects;

(b) in rural areas only, CIF funds may also be requested for the preservation of eligible affordable rental projects, including projects meeting the Early Award Rural Preservation Project requirements, as described in Section III, B, 4b of this RFP.

Under this RFP, CIF funds must be requested in combination with another Unified Funding Program (HTF, HOME, LIHC and/or SLIHC), with the exception of Applications submitted under the Early Award Project Type Rural Preservation Projects, in which case, CIF is the only program that may be requested.

*PLEASE NOTE, applicants may also apply for CIF funding as part of an Open Window Request for Proposals. Funding requests under the Open Window are restricted solely to retail, commercial or community facility components of eligible mixed-use affordable rental projects.*

Eligible affordable rental projects must include, at a minimum, eighty percent (80%) residential units that are rent restricted and occupied by households whose incomes are at or below ninety percent (90%) of area median income for the county in which the project is located.

### 2. Eligible Applicants

This program will provide loans to eligible applicants that include not-for-profit corporations or charitable organizations, or a wholly owned subsidiary of such corporations or organizations, or a private for-profit developer. Applicants requesting CIF funding for retail, commercial or community facility components of eligible mixed-use affordable rental projects must demonstrate successful past experiences in developing and managing mixed-use affordable housing projects in comparable markets.

### 3. CIF Funding Priorities

HCR will give priority to applications that most clearly document that CIF funds will be used:

a.) to finance the rehabilitation of projects that meet the conditions for Rural Preservation Early Award Projects, or for projects that are currently regulated by HCR and that clearly satisfy the requirements for LIHC Preservation Projects.

b.) to subsidize the development or rehabilitation of retail, commercial or community facility space which will be used to address a critical unmet community need in the development's primary market area (e.g. access to health care, affordable fresh foods, services for low income seniors, educational opportunities, daycare for working families). Applicants must demonstrate that without CIF funding the proposed tenant could not otherwise pay market rent or pay rent sufficient to cover the cost of developing and operating the space.

c.) to finance the development or rehabilitation of retail, commercial or community facility space to ensure the continuation of traditional commercial corridors that would otherwise be disrupted by the development of ground floor residential space. Applicants must demonstrate that without CIF funding, market rents would be insufficient to cover the costs of developing and operating the space.

d.) to finance the development or rehabilitation of retail, commercial or community space as part of a concerted neighborhood revitalization plan. Such plan must clearly support the proposed use of the space and must identify local actions that have been taken or are proposed to be undertaken to attract or promote the proposed use, including but not limited to tax relief measures, changes in zoning, and infrastructure investments directly benefiting the space. Applicants must demonstrate that without CIF funding, market rents would be insufficient to cover the costs of developing and operating the space.

#### 4. CIF Funding Limits

HCR reserves the right to award all, a portion of, or none of the program funds based upon funding availability, feasibility of applications received, the competitiveness of the applications, the applicant's ability to meet HCR criteria for funding, the applicant's ability to advance the State's housing goals, and HCR's assessment of cost reasonableness. The CIF statute requires that 60 percent of CIF awards be allocated to projects located in "Urban Areas" with a population of 25,000 or more, and 40 percent of CIF awards be allocated to "Rural Areas" having a population of less than 25,000. In addition, the following limits apply:

- Up to \$1,000,000 per project/\$30,000 per unit may be requested for projects that satisfy the conditions for Early Award Rural Preservation Projects.
- Applicants may request the lesser of up to \$500,000 per project or the amount needed to ensure that market rents would be sufficient to cover the cost of financing and operating the commercial, retail or community facility space of the project. CIF requests for this purpose may not be combined with requests for Urban Initiative or Rural Area Revitalization Projects funding.
- Up to \$500,000 per project/\$30,000 per unit may be requested in connection with Preservation Projects in Rural Areas. These amounts can be in addition to funding limits applicable to other programs described in this RFP. A Preservation Project is one in which residential property is rehabilitated to extend its useful life to serve as affordable housing, and averts the loss of currently government regulated affordable rental housing serving the housing needs of a population whose housing need would justify the replacement of the housing if it ceased to be available to that population. The scope of

the rehabilitation must be sufficient for the project to function in good repair as affordable housing for a period equal to at least 30 years from the date of issuance of the final credit allocation. Applicants proposing a Preservation Project must demonstrate how the project averts the loss of affordable housing, including submission of a physical needs assessment, and must: a) describe any regulatory and economic circumstances which could precipitate the loss of or risk the availability of the project to low-income households; and, b) provide a compelling rationale for preserving the existing project based upon economic conditions including the availability of alternative affordable housing, market rents, vacancy rates, and current and future demand. Preservation projects that are still subject to regulatory agreements with HCR or any of its agencies must also provide a compelling rationale explaining why it is in the State's interests for HCR to release the current ownership from their existing obligations to the State if a transfer of ownership is proposed in the application. Applicants must request a site visit from HCR to observe the building's existing condition and discuss proposed renovations PRIOR to submission of the application. Requests for site visits must be made no later than 30 days prior to the application deadline under which the applicant intends to submit. At a minimum, a draft physical needs assessment must accompany this request. Failure to meet the above requirements will result in exclusion from the Preservation Project funding set-aside. As a condition of any potential award, HCR reserves the right to require modifications of a proposed scope of work based on the results of its site visit and review of the physical needs assessment. Where project acquisition cost includes the assumption of existing loan(s) funded by New York State (e.g. HTF, HFA, ESDC), HCR will not allow Developer fee to be earned on the portion of acquisition funded by such loans.

#### 5. CIF Match Requirement

Pursuant to the CIF statute, applicants are required to provide a 1/3 match of the requested funding amount in donated property, materials or labor and other resources. Applicants considering CIF funding are advised to schedule a pre-application technical assistance meeting with HCR staff to discuss potential matching sources. The CIF match requirement may be reduced or eliminated if the project is located within a declared disaster area and the proposed project clearly addresses an impact resulting from the disaster. Applicants seeking a reduction or elimination of the CIF matching requirement must request a waiver detailing the basis for the reduction or elimination at least 10 business days prior to the application deadline applicable under which an application will be submitted.

#### 6. CIF Underwriting Considerations

- For retail, commercial or community facility space of mixed-use projects, applicants must demonstrate in the operating budget and market documentation that CIF funds will reduce debt service costs such that market-rate commercial leases will be sufficient to cover all debt service and operating costs associated with the non-residential space. In developing the operating budget, applicants should assume an industry standard vacancy rate of 10 percent for the non-residential space.

- CIF funds may be used only to cover development costs of the proposed non-residential space. CIF funds may not be used to support the ongoing operating costs of the non-residential space. Income from the residential component of projects may not be used to support the operations of commercial, retail, and/or community facility space.
- Applicants must provide a market analysis clearly demonstrating that there is sufficient demand for the proposed non-residential use at rents assumed in the income and operating budget. The analysis must include the *Existing Market Information Attachment* detailing the commercial rents (including per square foot cost) of comparable commercial space in the immediate market area.
- For retail, commercial or community facility space of mixed-use projects, applicants must provide at least one letter of interest or commitment from a prospective tenant for the non-residential space. Additional letters and/or firm commitments from prospective tenants will make applications more competitive. Such letters and/or commitments must identify the amount per square foot such prospective tenant would be willing to pay for the finished space.
- Successful applicants will be required to enter into a master lease for the non-residential component of the mixed-use project. The master lease must guarantee sufficient income to cover the operating costs and debt service of the non-residential space in the event the space is not sub-leased. In general, in any year in which sub-lease rents exceed the projected guaranteed master lease income by more than 20 percent, owners will be required to use excess income to pay down principal on the CIF loan. CIF funds may not be used for payment of a developer fee on the retail, commercial or community facility portion of the project.

## 7. CIF Design Considerations

- The commercial, retail, community facility portion of a project will be required to comply with the local building code;
- Rural preservation projects will be subject to HTFC Design Handbook requirements. However, HCR will consider requests for USDA Rural Development to be designated as lead agency for the purpose of design review and construction monitoring in an effort to avoid duplicative submissions;
- All metered utilities must be separate systems between the residential and non-residential spaces. Examples include separate HVAC systems with separate boilers/AC units; separate electrical systems; separate domestic hot water systems; etc. Prior to application, HCR will consider reasonable alternatives to achieve an effective separation of utilities.

## 8. Regulatory Term

The commercial, retail, community facility or residential space financed with CIF funds will be subject to a regulatory term that is coterminous with any HCR regulatory agreement on the project's affordable residential component, or ten years, whichever is greater.

## 9. Loan Terms

CIF awards will be structured as a 1% deferred loan payable from available cash flow, with special provisions for the payment of principal in connection with non-residential components (see Underwriting Considerations).

## 10. Rating Review

CIF applications will be reviewed and selected based upon the overall strength of the proposed project application. As part of its consideration, HCR will utilize the following rating criteria specific to the project's CIF financing component.

CIF Applications for retail, commercial or community facilities will be rated based on the following criteria:

1. Community Impact/Revitalization (20 points)
2. Leveraging (20 points)
3. Organization Capacity/Experience/Past Performance (20 points)
4. Consistency with Activity Priorities (20 points)
5. Readiness (20 points)

CIF Applications for Preservation Projects in Rural Areas will be rated based on the following criteria:

1. Affordable Housing Need (25 points)
2. Rehabilitation Needs (25 points)
3. Organization Capacity/Experience/Past Performance (20 points)
4. Rehabilitation Investment as Percentage of Total Project Costs (20 points)
5. Readiness (10 points)

## **G. UF 2013 Funding Initiatives**

The following two initiatives have been established for UF 2013.

### **1. Project Based Voucher Program (PBV) Initiative**

As authorized by program regulations at 24 CFR 983, HCR plans to offer up to 100 units of Project Based Voucher (PBV) assistance for proposed projects financed through the HTF, LIHC, SLIHC and/or HOME programs. A complete description of all applicable program regulations can be found within the Electronic Code of Federal regulations at: [www.ecfr.gov \(Title 24, Part 983\)](http://www.ecfr.gov (Title 24, Part 983)).

Developers interested in being considered for PBV assistance should fully review program regulations prior to making application in order to ensure that their proposed project is consistent with all terms and provisions of those regulations. Applicants are advised to carefully examine the subsidy layering review guidelines relative to PBV assistance issued by HUD in its notice of July 9, 2010. These guidelines establish certain development and operations standards that must be adhered to by projects receiving

PBVs, including limits on builder's fees, developer's fee, and project cash flow. The guidelines can be found at: <http://www.federalregister.gov/articles/2010/07/09/2010-16827/administrative-guidelines-subsidy-layering-reviews-for-proposed-section-8-projectbased-voucher>.

Please note that under UF 2013, for applications requesting PBVs, HCR will give priority to those projects with a proposed developer fee at or below the HUD safe harbor standard of 12% of the total development cost.

Applicants are invited to submit proposals for the use of PBVs in connection with the rehabilitation or construction of rental units in **only** those local program areas serviced by HCR's Section 8 Voucher Program and its network of Local Administrators. A complete listing of those local program areas can be found on the HCR website at: <http://nysdhcr.gov/Programs/Section8HCV/sec8admins.htm>

**Applications requesting project based assistance only will not be accepted.** Requests for PBV assistance must be accompanied by a request for assistance from one of the programs included in this funding round.

**a. Basic Requirements:**

Only applications submitted in response to this RFP will be considered for this funding. Applications requiring permanent relocation of current tenants will not be eligible.

HCR requires all applicants seeking PBVs to provide information on the degree to which PBVs enable a project to serve a lower income population than the project would otherwise be capable of serving absent the PBVs. A detailed description of the impact PBVs will have on the population served must be provided in an application seeking PBV assistance. The description must be provided in Attachment F9- Proposal Summary as part of the response to the question of what public purpose is served by the project and who the project beneficiaries will be.

Regulations generally limit PBV assistance to no more than 25% of the units in a project. Projects serving persons who are elderly (62 years or older), persons with disabilities or families receiving supportive services generally equivalent to HUD "Family Self-Sufficiency" programming may be allowed to exceed the 25% per building cap.

**Davis-Bacon wage requirements are applicable to construction of all projects receiving nine or more PBVs.**

**2. LIHC Mixed-Income Pilot**

For applications proposing new construction of family projects (at least 40% of project units have two or more bedrooms) in New York City, HCR will allow applicants to exceed the maximum annual LIHC allocation of \$22,000 per LIHC-eligible unit, provided that:

- a). the project's LIHC-eligible units generate qualified basis in excess of the \$22,000 per unit limit;
- b). any allocation amount above the per-unit annual allocation limit must be used to subsidize HCR-regulated units affordable to middle-income households above 90% of Area Median Income (AMI), up to a maximum of 120% AMI;
- c). the total LIHC request does not exceed \$22,000 per unit on a total project basis, inclusive of the units serving households above 60% of AMI; and,
- d). the requested credit amount is within the applicable per-project cap.

Applications requesting consideration under this Pilot cannot propose projects that exceed either:

1. 115% of the median Residential total project cost (TPC) less acquisition per square foot compared to all projects proposed in New York City under this RFP; or,
2. 115% of the median Residential TPC less acquisition per bedroom compared to all projects proposed in New York City under this RFP.

In addition, operating costs cannot exceed costs typical for affordable projects located in New York City.

All project units will be subject to HCR's standard cash flow limits as detailed in the Capital Programs Manual Section 5.08.06 (iii) as part of the agency's LIHC gap analysis.

The development team for the project must have a demonstrated track record in successfully developing, marketing, and managing mixed-income LIHC projects.

The middle-income units must be integrated into the project in terms of distribution of unit type within the building. All units within a proposed project must have reasonably comparable features, finishes and amenities. All units will be subject to a LIHC regulatory agreement, and will have the same regulatory term.

In order to qualify under this Pilot, a project must provide for each middle-income unit, a matching unit or units, if necessary, of comparable size with affordability level(s) such that the affordability of all the project's units average to no more than 60% of AMI based upon the proposed rents.

For example, a 60 unit project with 12 middle-income units and 48 units affordable below 60% AMI proposes the following rent affordability levels:

<b>Rent % AMI Affordability</b>	<b># Units</b>	<b>Affordability x # Units</b>
30%	6	180
40%	18	720
50%	12	600
60%	12	720
100%	2	200
110%	8	880
120%	2	240
<b>TOTAL</b>	<b>60</b>	<b>3540</b>
<b>Average Project Rent Affordability</b>	<b>59% AMI (3540 ÷ 60)</b>	

This project would be eligible since the overall affordability of the project rents does not exceed 60% of AMI.

Initial rents on the middle-income units may not exceed 30% of the targeted AMI. All rent levels are calculated as gross rents less a utility allowance. For example, based upon the current 2013 HUD AMI for New York City the following rents would be the maximum that could initially be charged on the middle income units:

<b>Maximum Initial Rents for Middle Income Units Targeted to Tenants with Incomes up to:</b>			
	100 % AMI	110% AMI	120% AMI
<b>0 BR</b>	\$1505	\$1655	\$1806
<b>1 BR</b>	\$1612	\$1773	\$1935
<b>2 BR</b>	\$1935	\$2128	\$2322
<b>3 BR</b>	\$2233	\$2457	\$2680

For projects located outside of HUD designated Qualified Census Tracts (QCTs), the minimum rent burden for the middle income units is 30% of annual income. These units may not be rented to households above the targeted AMI.

For projects located within QCTs, HCR will allow a reduced rent burden to encourage middle income households to reside in these economically challenged neighborhoods. The following household income limits apply to middle income units located in QCTs:

- Units with rents at 100% AMI can be rented to households with incomes up to 115% AMI.
- Units with rents at 110% AMI can be rented to households with incomes up to 125% AMI.
- Units with rents at 120% AMI can be rented to households with incomes up to 135% AMI.

## **V. Additional Guidance for the UF 2013 Round**

### **A. General Requirements for Funding Round**

#### **1. Replacement Reserve Requirements**

Operating budgets for all projects requesting LIHC and/or SLIHC, including blended projects also requesting HTF/HOME must provide an annual replacement reserve equal to \$250 per unit. An initial replacement reserve contribution equal to \$1,000 per unit is also required and it must be included in the development budget.

HTF and/or HOME stand-alone projects without LIHC or SLIHC must provide an annual contribution to the replacement reserve equal to .50 percent of the total construction cost (including builder's fees), up to a maximum of \$800 per unit for family projects or \$400 per unit annually for elderly projects, unless otherwise approved by HCR.

#### **2. Market Study/Market Analysis Requirements**

All applicants must provide a market analysis or a professional market study. Please see Section 5.06 of the CPM for specific market analysis and market study requirements. Professional market studies must be prepared by a HCR pre-qualified market analyst in accordance with the guidelines detailed in the CPM. A listing of pre-qualified market analysts can be found on the HCR website:  
<http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2013/>

##### **a. Market Study/Analysis Requirements for LIHC/SLIHC Projects**

All applications for projects requesting LIHC and/or SLIHC must include a professional market study prepared by a HCR pre-qualified market analyst or, in the case of projects located in the City of New York, a market analysis utilizing data from the most recent edition of the New York City Rent Guidelines Board Report.

##### **b. Market Study/Analysis Requirements for Projects with more than 15 units**

Any new construction project of over 15 units will require the submission of a **professional market study** or, in the case of projects located in the City of New York, a market analysis utilizing data from the most recent edition of the New York City Rent Guidelines Board Report.

HTF and/or HOME stand-alone preservation projects located outside of the City of New York involving the rehabilitation of existing, occupied housing, may

submit a **market analysis** rather than a professional market study, if the project's average occupancy for the 12 months prior to application submission is 90% or greater. HTF/HOME preservation project applications must include documentation of the project's most current monthly rent roll, two year project occupancy history, and income-qualified waitlist in the application Attachment D-5, "Preservation Project Information". If the project's average occupancy for the twelve months prior to application is below 90%, a professional market study is required.

**c. Market Study/Analysis Requirements for Projects of 15 units or less**

Projects of 15 units or less may submit a **market analysis**. For projects involving the preservation of existing, occupied housing, the application **must include** documentation of the project's most current monthly rent roll, two year project occupancy history and income-qualified wait list in the application Attachment D-5 "Preservation Project Information". If the project occupancy rate is below 90%, the analysis must address the probable cause(s) of the vacancy problem and how the proposed rehabilitation will improve occupancy levels. New York City Projects may utilize data from the most recent edition of the New York City Rent Guidelines Board Report.

**d. Market Study Requirements for Co-operative/Condominium Projects**

All projects proposing the construction or rehabilitation of a co-operative or a condominium will require the submission of a professional market study demonstrating that a market exists for the proposed project. New York City Projects may include a market analysis utilizing data from the most recent edition of the New York City Rent Guidelines Board Report.

**3. Full Disclosure**

All costs and funding sources related to the development, or redevelopment, of the project site, including any related infrastructure work necessary for the project must be included in the project budget. Failure to include all such costs, and/or to disclose such sources will result in the termination of HCR's review, and the rejection of the application. All costs and financing sources related to the remediation of environmental hazards on the site, or any adjacent sites, necessary for the redevelopment of the parcel on which the proposed project is located must be disclosed in the application, and included in the development budget.

**B. New York/New York III Supportive Housing Agreement**

As a State housing goal, HCR strongly encourages the submission of applications that include units to be developed in accordance with the New York/New York III Supportive Housing

Agreement (NY/NY III). Joint technical assistance with New York City and State agencies responsible for operating and service funding will be available for applicants interested in this initiative. Interested applicants are encouraged to contact HCR prior to application submission for additional technical assistance regarding the availability of operating assistance. For more information about NY/NY III, applicants should contact John Serio at [JSerio@nyshcr.org](mailto:JSerio@nyshcr.org) or (518) 473-6959.

## **1. Background**

The NY/NY III agreement was signed by New York State (State) and the City of New York (City) on November 3, 2005. Under this agreement, the State and City committed to develop 9,000 units of supportive housing within New York City over the next ten years. For purposes of the NY/NY III agreement, “supportive housing” is defined as a pairing of rental assistance and supportive services in either a building constructed or renovated for this purpose (defined as congregate) or in scattered site apartments acquired for the purposes of housing.

The primary purpose of this Agreement is a commitment by the State and City to increase the supportive housing capacity within New York City targeted to homeless persons. The parties agree to fund both the capital and on-going operating expenses of the supportive housing.

## **2. DHCR’s Role**

As signatory to the agreement, DHCR is charged as a capital funding agency for housing for the following persons who are chronically homeless, or at serious risk of becoming chronically homeless, (the State and New York City agencies providing funds are identified after each population):

- Persons who suffer from serious and persistent mental illness (NYS Office of Mental Health (OMH). Please see Section 3 below for information on OMH Operational funding.
- Single adults with a substance abuse disorder – (NYS Office of Alcoholism and Substance Abuse Services and the NYC Department of Health and Mental Hygiene)
- Persons living with HIV/AIDS (NYC Human Resources Administration)
- Chronically homeless families or families at risk of chronic homelessness in which the head of the household suffers from a substance abuse disorder (NYS Office of Alcoholism and Substance Abuse Services), a disabling medical condition or HIV/AIDS (NYS Office of Temporary and Disability Assistance and NYC Department of Health and Mental Hygiene)

This RFP encourages applications serving one or more of the above populations which utilize NY/NY III funding in support of the populations served. Supportive housing may be a portion of a building also targeting non NY/NY III populations. At a minimum, operating expenses for NY/NY III populations will be funded by the appropriate State or City agencies. These agencies, and contacts for each, are identified below:

New York State Office of Mental Health  
Moira Tashjian, MPA, Director of the Bureau of Housing Development and Support  
(518) 402-4233  
[Moira.tashjian@omh.ny.gov](mailto:Moira.tashjian@omh.ny.gov)

New York State Department of Health AIDS Institute  
Tim Doherty, Director, Housing Program Unit  
(518) 474-8162  
[tbd02@health.state.ny.us](mailto:tbd02@health.state.ny.us)

NYS Office of Alcoholism and Substance Abuse Services  
Mary Ann DiChristopher  
(518) 485-6022  
[maryann.dichristopher@oasas.ny.gov](mailto:maryann.dichristopher@oasas.ny.gov)

NYS Office of Temporary and Disability Assistance  
Brett Hebner, Assistant Director(518) 476-3433  
[brett.hebner@otda.ny.gov](mailto:brett.hebner@otda.ny.gov)

NYC Human Resources Administration (HRA)  
HIV/AIDS Services Administration (HASA)  
Paula Sangster-Graham, Director of Contracts  
(212) 620-9275  
[sangstergrahamp@hra.nyc.gov](mailto:sangstergrahamp@hra.nyc.gov)

NYC Department of Health and Mental Hygiene, Office of Housing Services  
Kimberly Jones  
(212) 219-5826  
[kjones4@health.nyc.gov](mailto:kjones4@health.nyc.gov)

### **3. Agencies with Conditional Operating Funding from the NYS OMH**

As part of the State's ongoing commitment to the NY/NY III Agreement, NYS OMH, through a previous RFP process, conditionally allocated operational funding for up to 935 units for individuals meeting the eligibility criteria for NY/NY III Population A. OMH

did not award a specific number of units, since the number of units actually developed will depend upon the number of units that a specific site can accommodate; however, a set-aside of this OMH funding has been made to the following successful applicants, contingent upon securing capital funding from OTDA and/or HCR. Applicants interested in providing NYNYIII Population A units in combination with affordable housing financed through this RFP are encouraged to contact the following organizations that have a conditional allocation of operational funding from OMH:

The Association for Rehabilitative Case Management and Housing, Inc. (ACMH)  
Daniel K. Johansson, Executive Vice President/CEO  
254 W 31<sup>st</sup> St., 9<sup>th</sup> Fl., New York, NY 10001  
212-274-8558, Ext. 214 Fax: 212-925-7958  
[djohansson@acmhny.org](mailto:djohansson@acmhny.org)  
(all five boroughs in NYC)

Church Avenue Merchants Association (CAMBA)  
Sharon R. Browne, Executive VP for Health, Housing Services & Development  
1720 Church Ave., 2<sup>nd</sup> Fl., Brooklyn, NY 11226  
718-462-8654 Ext. 30304  
[SharonB@camba.org](mailto:SharonB@camba.org)

Comunilife, Inc.  
Olga Jobe, Director of Housing Development  
214 W 29<sup>th</sup> St., 8<sup>th</sup> Fl., New York, NY 10001  
212-219-1618 Ext. 6144  
[ojobe@comunilife.org](mailto:ojobe@comunilife.org)

Concern for Independent Living  
Ralph Fasano, Executive Director  
PO Box 358, 312 Expressway Dr. S, Medford, NY 11763  
631-758-0474 Ext. 201  
[rfasano@concernhousing.org](mailto:rfasano@concernhousing.org)  
(Brooklyn and Queens)

Federation of Organizations for the New York State Mentally Disabled, Inc.  
Stephen McCarthy, Chief Financial Officer  
105-01 101<sup>st</sup> Ave., Ozone Park, NY 11416  
718-850-7099  
[Steve.mccarthy@fedoforg.org](mailto:Steve.mccarthy@fedoforg.org)  
(Queens and Brooklyn)

FEGS Health and Human Services System  
Peg Moran, Senior VP, Residential & Housing Services  
315 Hudson St., 6<sup>th</sup> Fl., New York, NY 10013  
212-366-8400  
[pmoran@fegs.org](mailto:pmoran@fegs.org)  
(all boroughs except Staten Island)

Geel Community Services, Inc.  
Maria Matias, Executive Director

2516 Grand Ave., Bronx, NY 10468  
718-367-1900  
[geelcsinc@aol.com](mailto:geelcsinc@aol.com) (e-mail contact is preferred)  
(Bronx only)

H.O.G.A.R. Inc. (Housing Options & Geriatric Association Resources, Inc.)  
Noris Colon, President/CEO  
751 Dawson St., Bronx, NY 10455  
718-742-7669  
[nmcolon@hogar-inc.org](mailto:nmcolon@hogar-inc.org)  
(Bronx only)

Lantern Community Services  
Alissa Kampner Rudin, Executive Director  
49 W 37<sup>th</sup> St., 12<sup>th</sup> Floor, New York, NY 10018  
212-398-3073

Odyssey House  
Durga Vallabhaneni, Senior VP & Chief Financial & Administrative Officer  
120 Wall St., New York, NY 10005  
[DValla@odysseyhouseinc.org](mailto:DValla@odysseyhouseinc.org)  
212-361-1600  
(Bronx only)

Postgraduate Center for Mental Health  
Jacob Barak, Ph.D., MBA, President and CEO  
158 East 35<sup>th</sup> St., New York, NY 10016  
[jbarak@pgcmh.org](mailto:jbarak@pgcmh.org)  
212-889-5500 Ext. 205  
(Bronx and Brooklyn)

Promoting Specialized Care and Health (PSCH)  
Alan Weinstock, President & CEO  
142-02 20<sup>th</sup> Ave., Flushing, NY 11351  
718-559-0516  
[alan.weinstock@psch.org](mailto:alan.weinstock@psch.org)  
(all boroughs except Staten Island)

Services for the Underserved  
Donna Colonna, Chief Executive Officer  
305 7<sup>th</sup> Ave., New York, NY 10001  
[dcolonna@sus.org](mailto:dcolonna@sus.org)  
212-633-6900

The Bridge  
Peter D. Beitchman, DSW, LMSW, Chief Executive Officer  
248 W 108<sup>th</sup> St., New York, NY 10025  
212-663-3000  
[pbeitchman@thebridgeny.org](mailto:pbeitchman@thebridgeny.org)  
(Brooklyn or Queens)

Unique People Services  
Yvette Brissett-Andre, Executive Director/CEO  
Administrative Office  
4234 Vireo Ave., Bronx, NY 10470  
718-231-7711  
[yvetteba@uniquepeopleservices.org](mailto:yvetteba@uniquepeopleservices.org)  
(Bronx and Brooklyn)

Urban Pathways  
Frederick Shack, LMSW, Executive Director  
575 8th Ave., New York, NY 10018  
212-736-7385  
[fshack@urbanpathways.org](mailto:fshack@urbanpathways.org)  
(any borough except Staten Island)

Volunteers of America  
Tere Pettitt, Chief Operating Officer  
340 West 85<sup>th</sup> St., New York, NY 10024  
212-873-2600  
[tpettitt@voa-gny.org](mailto:tpettitt@voa-gny.org)  
(Bronx)

Weston United  
Jean Newburg, LCSW, Chief Executive Officer  
290 Lenox Ave, 3<sup>rd</sup> Floor., New York, NY 10027  
212-866-6040  
[jnewburg@westonunited.org](mailto:jnewburg@westonunited.org)  
(any borough)

#### **4. Agencies with Operating Funding from the NYS OASAS**

NYS Office of Alcoholism and Substance Abuse Services (OASAS) previously awarded funding to cover operating and support services costs for 135 congregate/single-site housing units targeted to serve individuals meeting NY/NY III Population G eligibility criteria. Population G is defined as chronically homeless families or families at serious risk of becoming chronically homeless in which the head-of-household has a substance use disorder. The majority of these units have started out as a scatter-site model, however, all units must ultimately be in a congregate setting. Applicants interested in providing NY/NY III Population G units are encouraged to contact the following agencies that have operational funding from OASAS:

##### **Housing Plus Solutions**

3 West 29th Street, Suite 805, New York, NY 10001  
(212) 213-0221  
Rita Zimmer, Executive Director  
[rita@housingplussolutions.org](mailto:rita@housingplussolutions.org)  
(Brooklyn)

**Women In Need**

115 West 31<sup>st</sup> Street  
New York, NY 10001  
(212) 695-4758 Ext. 715  
Marilyn Laves, Assistant Vice President for Supportive Housing  
[mlaves@winnyc.org](mailto:mlaves@winnyc.org)  
(Bronx)

**Palladia**

2006 Madison Avenue  
New York, NY 10035  
(212) 979-8800  
Lana Hallstein, Director of Permanent Housing  
[Lana.hallstein@palladiainc.org](mailto:Lana.hallstein@palladiainc.org)  
(Bronx)

**Odyssey House**

50 Pine Street  
New York, NY  
Janice Glenn, Director of Housing Programs  
(917) 492-2580  
[jglenn@odysseyhouseinc.org](mailto:jglenn@odysseyhouseinc.org)  
(Bronx or Brooklyn)

**BASICS, Inc.**

1064 Franklyn Ave.  
Bronx NY 10456  
(646) 224-0511  
Adele Herrera, Assistant Director over Outpatient and Housing  
(Bronx)

**Project Renewal**

200 Varick Street  
New York, NY 10003  
(212) 620-0340  
Stephanie Cowles  
[Stephanie.Cowles@projectrenewal.org](mailto:Stephanie.Cowles@projectrenewal.org)  
(Bronx)

OASAS plans to award additional operating funding for housing units for NY/NY III Population G in the near future. For further information, please contact Mary Ann DiChristopher at OASAS at (518) 485-6022.

**C. New York State's Forthcoming Olmstead Implementation Plan**

In its 1999 Olmstead v. L.C. decision, the US Supreme Court ruled that states, in accordance with the American with Disabilities Act (ADA), have an obligation to

provide services to individuals with disabilities in the most integrated setting appropriate to their needs.

Governor Andrew M. Cuomo has made serving individuals with disabilities in the most integrated setting a top priority. New York State is developing a comprehensive Olmstead Implementation Plan that will address integrated housing, employment, transportation, community services, and other important issues. New York State's Implementation Plan will affirm the State's position as a national leader on disability rights.

Working in collaboration with State, federal, and/or local partners, HCR will review all proposals to assess whether persons with disabilities will be served in the most integrated setting appropriate to their needs.

## **VI. Evaluation & Selection Process**

### **A. General Review Criteria**

HCR will evaluate the investment of the resources made available through this RFP using the following three criteria: fundamentals, leverage, and outcomes. This framework accommodates all scoring criteria currently utilized by HCR. To the extent feasible, HCR will allocate its resources to meet housing needs and achieve a geographic distribution of funding across the State, while promoting community development policies that emphasize the needs of underserved communities and which advance housing policy goals of the State, NYS Smart Growth Public Infrastructure criteria, brownfield redevelopment and healthy living environments.

Fundamentals consider the basic components of any real estate investment- feasibility, team experience, capital structure, etc. In this RFP it also considers certain threshold requirements specific to each resource. HCR will evaluate, among other things, whether the investment is infeasible but for our investment, whether all the necessary components are identified and committed and whether the applicant has the proven experience and team members to successfully complete the investment. Leverage considers whether the investment leverages significant outside resources such as third party funds, local funds, and /or local support. Outcomes consider the policy goals achieved by a particular investment. Applications that propose quality housing that most cost-efficiently provide the greatest number of units for the longest period of time for the lowest-income New Yorkers, and which respond to a strategy to address housing needs and articulated State housing goals will have the greatest likelihood of being selected.

In general, HCR will consider the extent to which an application supplements or advances a coordinated investment by State agencies, federal government and local partners, and whether a proposed project clearly advances New York State's housing goals and objectives, including any

goals set forth by the Regional Economic Development Council strategic plan applicable to the area in which the project is located.

HCR will consider the proximity of a proposed project to locally undesirable land uses which expose residents to negative physical, chemical, biological, social and/or cultural factors when making award decisions.

HCR will also continue to consider the proposed costs of a project in making its funding decisions.

Within the constraints of statutory and regulatory requirements, HCR will give preference to applications proposing projects in communities that offer greater opportunity for residents.

All awards made as a result of this RFP must be in conformance with the State's Consolidated Plan and further one of its Strategic Plan objectives. The Consolidated Plan Strategic objectives are available on the HCR website at <http://www.nyshcr.org/Publications/> under the 'Publications' link.

HCR will give priority in its award decisions to projects that demonstrate a readiness to proceed to construction by August 31, 2014. For projects located in the City of New York that involve the transfer of City-owned land not awarded pursuant to a competitive process, HCR will take into account the need for a longer development timetable.

#### **B. Equal Employment Opportunity/Minority and Women Owned Business**

Under Article 15A of the New York State Executive Law, all award recipients and their contractors are required to comply with the equal employment opportunity provisions of Section 312 of that Article in any instance in which an award of funds includes state-funded construction costs in excess of \$100,000. Preference will be given to applicants that include a New York State certified Minority Women-Owned Business Enterprise as a member of the development team.

Also, all contractors and awardees are required to make affirmative efforts to ensure that New York State Certified Minority and Women-Owned Business Enterprises are afforded opportunities for meaningful participation in projects funded by HTFC pursuant to Section 313 of the Article.

Additional information can be found at <http://www.nyshcr.org/forms/FairHousing/>

#### **C. Applicant Past Performance**

An applicant's past and current performance in State programs and contracts, including their performance under Article 15A of the New York State Executive Law, will be considered in reviewing, rating, and ranking its application. HCR reserves the right to not issue an award to

any applicant if it has been determined that the applicant is not in compliance with existing State contracts and has not taken satisfactory steps to remedy such non-compliance.

When evaluating applications, HCR will take into consideration its experiences with a project's development team on previously-awarded projects, including, but not limited to, projects that were delivered with significant delays, cost increases, or change in project scope from what was presented at the time of application.

As a condition of application submission, HCR will require the Project Developer, General Contractor, Architect and Housing Consultant to provide authorization for HCR to conduct credit, background, and Lexis/Nexis reports.

#### **D. Entities on Federal or State Debarment Lists**

No entity that is on any Federal or New York State debarment list, or which is otherwise prohibited from bidding on or receiving government contracts, may be contracted for any services related to the project (including construction subcontracts)..

#### **E. Cost Considerations**

HCR will continue to evaluate project costs in making its funding decisions. All project costs will be compared to those on other proposed projects in comparable cost regions. Two cost regions will be used for these evaluations. The first will include proposed projects located in New York City, and Westchester, Nassau, and Suffolk Counties. The second will include all proposed projects located in the remaining 54 counties of the State. HCR may also take into account any other available cost data.

As part of HCR's proposed Low-Income Housing Credit Qualified Allocation Plan (QAP), HCR will now utilize a new Cost Effectiveness scoring criterion that awards points to proposed projects based on a comparison of costs to other projects proposed in the same cost region. The proposed QAP also bars HCR from funding High Cost Projects that significantly exceed the costs of other proposed projects unless a determination has been made by the Commissioner finding the project to be in furtherance of the State's housing goals.

In scoring Cost Effectiveness and identifying High Cost Projects, HCR will use three cost measures:

- Total Residential Project Cost per Gross Square Foot of Residential Space, including common areas (Square Footage used for this calculation is all space within residential units plus all space within residential common areas up to, but not exceeding the HCR design standards limit of 25% of the total, or 35% if a waiver to exceed that 25% limit has been requested and granted prior to application);
- Total Residential Project Cost per Bedroom; and
- Total Residential Project Cost per Residential Unit.

For scoring purposes, HCR will award points to projects with costs at or below the median for all projects submitted during the round within the same cost region.

High Cost Projects will be defined as projects that average above 130 percent of the cost region median for the three cost measures listed above. For example, if the costs for Project A are 155 percent of the cost region median for cost per square foot, 132 percent of the cost region median for cost per bedroom, and 120 percent of the cost region median cost per unit, the average (mean) across the three measures would be 135.6 percent. As a result, Project A would exceed the 130 percent threshold, be identified as a High Cost Project, and could only be funded if a determination was made by the Commissioner finding the project to be in furtherance of the State's housing goals.

The amount of LIHC and SLIHC that will be available for High Cost Projects will be limited to no more than 10 percent of the credit allocated during the funding round.

## **F. Application Processing Steps**

### **1. Application Receipt**

Applications are assigned an identification number and undergo a series of reviews depending upon the type(s) of assistance and the program(s) from which the funds are requested.

### **2. Completeness Review**

HCR will not be conducting completeness reviews of UF 2013 applications. Applications for funding will be reviewed on the basis of the documentation submitted with the application by the application due date. Applicants will not be given the opportunity to submit application documentation after their initial applicant submission

In all instances HCR, at its sole discretion, will immediately discontinue processing of any application determined to be substantially incomplete. Substantially incomplete applications are those in which 15% or more of the required attachments are missing from the initial application submission, or are otherwise materially deficient. HTFC will also consider to be substantially incomplete any site-specific application which does not include acceptable evidence of site control or a market study/ market analysis. At the sole discretion of HCR, processing will be discontinued for any application which does not include either of these required documents based on review of the initial application submission. Further information on acceptable forms of site control and market studies/market analyses is included in the Project Application instructions and Section 5 of the CPM. Since evidence of acceptable site control is a threshold application requirement, applicants are strongly encouraged to review site control documentation with HCR staff prior to application.

### **3. Eligibility Review**

Applications are reviewed according to the criteria in the following Eligibility Review Matrix. **Applications that fail to meet the eligibility criteria may not be reviewed further.**

### Eligibility Review Matrix

Category	HOME	HTF	LIHC and SLIHC
<b>Project</b>	Residential only; new construction, substantial or moderate rehabilitation; rental. (Applicants requesting home ownership or tenant-based rental assistance must apply as Local Program Administrators under a separate RFP).	Primarily Residential: rental, cooperatives or condominiums; up to 10% of an HTF award may be used for costs associated with a community service facility. New construction, rehabilitation, conversion, distressed occupied residential properties the rehabilitation of which would preserve affordable housing serving a population whose housing need would justify its replacement if it ceased to be available; projects with fewer than three units where project creates an additional unit. Residential buildings to be rehabilitated may be vacant, underutilized or distressed; non-residential space to be converted must be underutilized or vacant prior to application.	Residential only or residential with Community Service Facility (LIHC only); new construction, building acquisition with rehabilitation, and rehabilitation.

Category	HOME	HTF	LIHC and SLIHC
<b>Costs</b>	<p>Any customary development hard costs, acquisition, related soft costs or relocation costs. HCR will not allow HOME funds to be used for the purchase of furniture and equipment. If more than one source of HOME funds, total HOME funds from all participating jurisdictions must be within published HOME subsidy limits. Applications requesting HOME funding for projects may request up to \$2 million, with additional amounts available for projects that meet criteria outlined in Section IV of this RFP.</p>	<p>Actual and necessary cost of construction, rehabilitation, conversion, customary hard cost and related soft cost, excluding administrative fees and capitalization of operating reserves. No more than 50% of award for acquisition. Maximum HTF \$125,000/unit. 10% of HTF award may be used for a Community Service Facility. Applicants may request up to \$2 million in HTF funding per project, with additional amounts available for projects that meet criteria outlined in Section IV of this RFP.</p>	<p>Actual and necessary cost of construction, building acquisition and/or rehabilitation, customary hard cost and related soft costs excluding the expense associated with syndication of the Credits. Requests may not exceed \$22,000 of LIHC per unit or \$20,000 of SLIHC per unit. A request for both credit programs can each go to the per unit limit. Applicants applying for LIHC funding under the Mixed Income Tax Credit Pilot may exceed the \$22k per LIHC-regulated unit, but the total request remains subject to the project cap and the LIHC request cannot exceed \$22,000 per unit on a total project basis, inclusive of the units serving households above 60% of AMI.</p> <p>The maximum amount of annual credit allocation that may be requested per project is \$1,430,000. However, applications for projects in which 50% or more of the units will serve large families (households with 5 or more persons) by including units with three or more bedrooms or serve persons with special needs as listed in the current Unified Funding Reference Materials, may request up to \$1,650,000.</p> <p>Applications requesting SLIHC may not request more than \$750,000 per project.</p>
<b>Occupants</b>	<p>All HOME funds must benefit households at or below 80% of area median income; HOME assisted rental units must be primarily occupied by households with incomes at or below 60% of area median income.</p>	<p>Low-income persons up to 80% of area median income in New York City, low-income persons up to 90% of area median income in the areas of the State outside New York City. Preference for very low-income persons (50% or less of area median income).</p>	<p>Low-income households earning up to 60% (90% for State Tax Credit) of area median income. For a project to be eligible for LIHC allocation, it must meet one of the following income related occupancy requirements: 1) 20% of the units must be set aside for households earning 50% or less of area median income; 2) 40% of the units must be set aside for households earning 60% (for SLIHC, 90%) or less of area median income; or 3) 25% of the units must be set aside for households earning 60% or less of area median income, where allowable under the IRC (i.e., New York City only).</p>

#### **4. Rating Criteria**

##### **a. General**

Applications which pass eligibility reviews are scored using the rating criteria for each program requested. For the purpose of rating and ranking applications, when an applicant requests funds from two or more programs, HCR will utilize the scoring criteria for the program which would provide the greatest amount of financial assistance to the proposed project.

##### **LIHC Rating System**

LIHC applications will be rated based on the criteria contained in the 2013 Proposed DHCR QAP, Section 2040.3(f), which include:

1. Community Impact/Revitalization (15 points)
2. Financial Leveraging (13 points)
3. Sponsor Characteristics (10 points)
4. Green Building (5 points)
5. Fully Accessible and Adapted, Move-in Ready Units (5 points)
6. Affordability (5 points)
7. Individuals with Children (5 points)
8. Marketing Plan/Public Assistance (5 points)
9. Project Readiness (10 points)
10. Persons with Special Needs (5 points)
11. Participation of Non-Profit Organizations (4 points)
12. Mixed Income (5 points)
13. Historic Nature of Project (3 points)
14. Cost Effectiveness (5 points)\*
15. Housing Opportunity Projects (3 points)\*
16. Minority and Women Owned Business Enterprise Participation ( 2 points)\*

\*New scoring criteria

##### **SLIHC Rating System**

SLIHC applications will be rated based on the criteria contained in the 2013 Proposed New York State Low-Income Housing Credit Regulation, Section 2050.14, which include:

1. Community Impact/Revitalization (15 points)
2. Financial Leveraging (13 points)
3. Sponsor Characteristics (10 points)
4. Green Building (5 points)
5. Fully Accessible and Adapted, Move-in Ready Units (5 points)
6. Income Mixture (10 points)
7. Individuals with Children (5 points)
8. Marketing Plan/Public Assistance (5 points)
9. Project Readiness (10 points)
10. Persons with Special Needs (5 points)

11. Participation of Non-Profit Organizations (4 points)
12. Historic Nature of Project (3 points)
13. Cost Effectiveness (5 points)\*
14. Housing Opportunity Projects (3 points)\*
15. Minority and Women Owned Business Enterprise Participation ( 2 points)\*

### **HTF/HOME Rating System**

HTF/HOME applications will be rated based on the following criteria:

1. Community Impact/Revitalization (15 points)
2. Financial Leveraging (10 points)
3. Sponsor Characteristics (10 points)
4. Green Building (5 points)
5. Fully Accessible and Adapted, Move-in Ready Units (5 points)
6. Affordability (10 points)
7. Individuals with Children (5 points)
8. Subsidized Housing Waiting Lists (5 points)
9. Project Readiness (10 points)
10. Persons with Special Needs (5 points)
11. Participation of Non-Profit Organizations (4 points)
12. Mixed Income (3 points)
13. Historic Nature of Project (3 points)
14. Cost Effectiveness (5 points)
15. Housing Opportunity Projects (3 points)
16. Minority and Women Owned Business Enterprise Participation ( 2 points)

## **5. Design Requirements and Scoring**

### **a) Mandatory Energy Efficiency Strategies**

All projects awarded funding in the HTF, HOME, LIHC, or SLIHC programs must participate in one of the energy efficiency strategies described below. All recommended practices applicable to the construction systems planned for the building must be incorporated. However, the recommended practices shall be secondary where conflicts exist between building codes; or HCR standards and requirements, unless a waiver is granted from HCR standards or requirements.

Applicants should take note that energy codes are in continuing development, which may affect the energy efficiency strategies listed below.

Applicants are hereby advised that energy code requirements and the corresponding energy efficiency strategy must be considered when planning the project development schedule. The applicant will be responsible, without any additional cost to HCR programs, to comply with the applicable energy efficiency standard and all energy code requirements in effect at the time the building permit is issued.

Where good faith efforts have been made to achieve the performance outlined in this section, failure to achieve certification from third parties will not constitute a default under any regulatory agreements with the agency. Failure to make good faith efforts

will be considered in evaluating developer performance on future applications and may result in a reassessment of allowable project costs.

**New York State Energy Research and Development Authority (NYSERDA)  
Multifamily Performance Program (MPP):**

At the State level, the energy code provisions, which apply to most buildings that qualify under the MPP, are currently anticipated to change in November 2013. Applicants with projects in the City of New York are advised to monitor any corresponding changes to the NYC energy code.

Should a project apply to this round of applications and select to participate in MPP, there is an option to either follow current Version 5.0 program requirements, which uses ASHRAE 90.1-2007 Appendix G as a baseline that requires a 20% improvement above the simulated baseline building; or achieve a 15% improvement above the ASHRAE 90.1-2010 Appendix G baseline requirement. Should a project receive its building permit before the energy code provisions change, a 15% improvement above ASHRAE 90.1-2007 Appendix G will be required.

If an applicant is planning to follow either of the prescriptive paths offered by this program, the current Version 5.0 Prescriptive Calculator shall be used.

The application must include a contract with a NYSERDA approved MPP partner to oversee the design and construction as necessary to meet the program requirements. The contract must be signed by both the applicant and the MPP partner. Final closeout of the project shall be contingent upon certification from NYSERDA that the project meets the program requirements.

**NYSERDA Low-rise Residential New Construction Program (LRNCP):**

Projects may qualify in either the New York ENERGY STAR Certified Homes or the New York Energy Smart designation, by meeting the applicable ENERGY STAR certified Homes, version 3.1, program requirements. The application must include a signed contract between the applicant and either a qualified Builder or Home Energy Rating System (HERS) Rater, who participate in NYSERDA's programs. The contract must be signed by both the applicant and the Builder or HERS Rater. In lieu of a signed contract, HCR will accept a HERS-based plan review completed by a participating HERS rater to affirm the project design will meet the high efficiency guidelines required to meet NYSERDA's program requirements. Final closeout of the project shall be contingent upon certification from NYSERDA that the project meets the program requirements.

The only exception to the above will be for those projects that will obtain a building permit prior to the anticipated Energy Code change and therefore qualify for the NYSERDA Low-rise Program based on EPA ENERGY STAR Version 3.0 requirements. At the State level, the energy code provisions, which apply to most buildings that qualify under the NYSERDA's Low-rise Program, are currently anticipated to change in May, 2014. Applicants with projects in the City of New York are advised to monitor any corresponding changes to the NYC energy code.

### **U. S. Environmental Protection Agency (EPA) ENERGY STAR Multifamily High Rise Program:**

Projects may qualify in either the prescriptive path or the performance path to achieve a 15% improvement in energy efficiency beyond that required by ASHRAE 90.1-2010. The application must include a contract with an energy consultant to oversee the design and construction as necessary to meet the program requirements. The contract must explain the methodology to be utilized to ensure that the standard will be met, and must be signed by both the applicant and the energy consultant. Final closeout of the project shall be contingent upon certification from US EPA that the project meets the program requirements.

### **EPA ENERGY STAR Certified Homes:**

Projects may qualify utilizing Version 3.1, in either the prescriptive path or the performance path. The application is to include a contract with a RESNET certified HERS rater which explains the methodology to be utilized to ensure that the standard will be met. The contract must be signed by both the applicant and the HERS Rater. In lieu of a signed contract, HCR will accept a HERS-based plan review completed by a qualified HERS rater to affirm the project design will meet the high efficiency guidelines required to meet EPA ENERGY STAR Version 3.1 requirements. Final closeout of the project shall be contingent upon certification from US EPA that the project meets the program requirements.

### **Enterprise Green Communities Criteria:**

Projects may qualify by participating in Enterprise Green Communities Criteria, 2011, or newer if applicable, based on the construction timeframe. Projects in New York City may utilize the HPD - Enterprise Green Communities overlay. Participation allows applicants to utilize Enterprise Green Communities Criteria, which includes meeting defined energy performance criteria as a base standard, for compliance with the mandatory energy efficiency strategies of this section and the optional green building program participation of section VI. F. 5. c). The applicant shall submit a letter indicating that they are selecting Enterprise Green Communities Criteria as means of compliance with both the mandatory energy efficiency strategies and the optional green building program participation in addition to the submission requirements indicated in VI. F. 5. c). Final closeout of the project shall be contingent upon certification from Enterprise Green Communities that the standard was met.

### **Historic Rehabilitation & Adaptive Re-use:**

Projects with historic buildings undergoing a substantial rehabilitation or adaptive re-use, that cannot fully implement one of the first four standards described above without negatively affecting the historic building fabric, shall enroll in either the NYSERDA MPP or LRNCP to achieve the New York Energy \$mart designation offered by those programs. The applicant's development team shall work with NYSERDA and HCR to implement the applicable provisions of these programs. The application must include a signed contract as noted above for the applicable NYSERDA program. Final closeout of the project shall be contingent upon certification from NYSERDA that the project meets the applicable program requirements.

**Moderate Rehabilitation:**

Applicants may: 1) Bring existing building(s) that do not meet the current energy code up to the energy code standard in effect on the date the building permit is issued; or 2) Demonstrate that the renovated building(s) will reduce overall energy usage by 20%, as compared to average energy usage for the last two years of operation. The projected reduction in energy usage must be demonstrated by submitting an energy analysis by an architect or engineer licensed in the State of New York, or RESNET certified HERS Rater, with the application. Proposals for bringing a building to current energy code standards must include a code analysis prepared by an architect or engineer licensed in the State of New York submitted in the application. Final closeout of the project shall be contingent upon a final analysis and report, including results of required energy code testing, that certifies that the project meets the chosen goal.

**b) Mandatory Green Building and Energy Efficiency Practices**

All projects awarded funding in the HTF, HOME, LIHC, or SLIHC program(s) shall include the applicable mandatory green building and energy efficiency practices listed below. Conformance with any of these practices does not replace, or substitute for compliance with other HCR program funding standards or requirements.

**Lead-safe Work Practices:**

Include lead-safe work practices and procedures in the rehabilitation of buildings constructed prior to 1978.

Applicable projects shall comply with HUD Guidelines for the Evaluation and the Control of Lead-Based Paint in Housing and the EPA Renovation, Repair and Painting Rule.

**Radon Mitigation:**

Utilize radon mitigation measures in projects located in EPA Radon Zones 1 and 2.

For new construction and substantial rehabilitation projects, install passive radon-resistant features below the slab and vented up through the roof by utilizing vent piping running through the interior of the building. Radon testing shall be conducted prior to occupancy. If the results of this testing exceed the recommended EPA action level, the passive radon system shall be activated.

For moderate rehabilitation projects, install active radon-reduction measures should tests confirm the presence of radon gas in the building exceeding the recommended EPA action level. Testing shall occur at the end of construction, prior to occupancy.

**ENERGY STAR Appliances:**

All refrigerators, dishwashers, and clothes washers included in the project, or supplied by vendors, shall be ENERGY STAR rated.

**ENERGY STAR Equipment:**

All heating and air conditioning equipment shall be ENERGY STAR rated, or provide the equivalent in energy savings, quality and operational cost. Equipment shall be considered to meet this requirement where the equipment is deemed to

comply with the NYSERDA Multifamily Performance Program, NYSERDA Low-rise Residential Construction Program, EPA ENERGY STAR Multifamily High Rise Program, or EPA ENERGY STAR Certified Homes, as described in this RFP.

**ENERGY STAR Lighting:**

All lighting shall be ENERGY STAR rated, or provide the equivalent in energy savings and quality. Interior lighting and exterior building lighting shall incorporate ENERGY STAR fixtures, or high efficacy lamps. Exterior site lighting shall utilize high efficiency lighting. All exterior building and site lighting shall include either daylight sensors or timers to minimize electrical usage.

**Low-VOC paint, Adhesives and Sealants:**

All paints, applied finishes, adhesives, and sealants shall, at a minimum, meet Green Seal, or an equivalent, low-VOC standard.

**Integrated Pest Management:**

All projects are to incorporate integrated pest management during construction that includes sealing all openings, cracks and joints to prevent the infestation of insect and animal pests from entering the building, or migrating from one apartment or common area to another. After occupancy, the building management shall incorporate environmentally friendly pest management strategies and extermination practices that are safe for the health of the residents and the environment.

**c) Optional Green Building Program Participation (5 points)**

Up to five (5) points will be awarded under the HTF, HOME, LIHC, or SLIHC program(s) to an applicant who documents that their project will meet one of the standards listed below. Due to anticipated developments in Enterprise Green Communities and LEED for Homes, the applicant must monitor changes in the chosen standard and make modifications as necessary for final certification. The applicant will be required to comply with the chosen standard, including modifications resulting from changes to the standard, without any additional cost to HCR programs.

**Enterprise Green Communities:**

Certification under Enterprise Green Communities Criteria, 2011, or newer if applicable, based on the construction timeframe. The applicant shall submit a Letter of Acknowledgement from Enterprise that the project was accepted into the program, or submit a letter of agreement between the applicant and a green building consultant, engineer, or architect that includes oversight of the design and construction as necessary for final Green Communities certification. The letter of agreement must be fully executed by the applicant and the green building consultant, engineer, or architect. Final closeout of the project shall be contingent upon certification from Enterprise Green Communities that the standard was met. Projects in New York City may utilize the HPD - Enterprise Green Communities overlay.

**LEED for Homes:**

US Green Building Council (USGBC) LEED for Homes Rating System. Either LEED 2009 or LEED v4 may be used. Due to the transition from LEED 2009 to

LEED v4, the selected version shall be contingent upon USGBC selection criteria. If the housing type proposed is not recognized under LEED 2009, or LEED v4, an equivalent LEED rating system may be substituted upon agreement by HCR. The applicant shall submit a letter of agreement with a LEED for Homes Provider to oversee the design and construction as necessary for final certification to the Certified level, or higher. The letter of agreement must be fully executed by the applicant and the LEED for Homes Provider. Final closeout of the project shall be contingent upon certification from USGBC.

**National Green Building Standard:**

2012 ICC 700 National Green Building Standard. The applicant shall submit a letter of agreement with a Verifier accredited by Home Innovation Research Labs to oversee the design and construction as necessary for final certification to the Bronze level. The letter of agreement must be fully executed by the applicant and the Verifier. Final closeout of the project shall be contingent upon certification from Home Innovation Research Labs that the project achieved a Bronze certification, or higher.

**d) Fully Accessible and Adapted, Move-in Ready Units (5 points)**

Projects providing fully Accessible and Adapted, move-in ready, dwelling units will be awarded points based on compliance with either of the two options listed below. Applicants must submit attachment B-10 and supporting documentation in accordance with the instructions written on attachment B-10 and as noted below:

(1) at least five percent (rounded up to the next whole number) of the project units are fully Accessible and Adapted, move-in ready for person(s) who have a mobility impairment and the unit(s) will be marketed to households with at least one member who has a mobility impairment AND at least two percent (rounded up to the next whole number) of the project units are fully Accessible and Adapted, move-in ready for person(s) who have a hearing or vision impairment and the unit(s) will be marketed to households with at least one member who has a hearing or vision impairment (3 points) (See NOTE below);

(OR)

(2) the percentages of units meeting the requirements of (1) above are equal to or exceed 10 percent and 4 percent (rounded to the next whole number) respectively (a minimum of two units each) (5 points) (See Note below).

NOTE: In addition to meeting the conditions above, to score any points under this section, the following documentation must be provided:

- Evidence that there is sufficient market demand for the number and type of units proposed for eligible households with at least one person who is mobility, hearing or vision impaired;
- That an experienced service provider has provided a written commitment to refer a sufficient number of households with at least one person who is mobility, hearing or vision impaired to occupy the fully Accessible and Adapted units; and,

- That an experienced service provider has provided a written commitment to offer appropriate services to tenants with these impairments.

## **6. Additional Reviews**

When an application requests LIHC, SLIHC, HTF or HOME funds, additional reviews, including, but not limited to, design, underwriting and persons with special needs reviews will be conducted.

## **7. Funding Recommendations**

Funding recommendations are made for feasible projects from available funds on the basis of ranking resulting from rating, statutory distribution requirements, a geographical distribution of funds, support of the State's housing goals and other review criteria outlined in this section of the RFP. Applicants will be informed of the disposition of their applications in an Application Review Letter.

Pursuant to statutory requirements, the following limitations will also be considered in reviewing HTF applications:

- a. no more than 50% of the total amount originally appropriated shall be awarded to projects located within any single municipality;
- b. no more than 33-1/3% of funds awarded to projects within a city with a population of one million or more shall be allocated to private developers; and
- c. no more than 33-1/3% of funds awarded to projects located in areas outside cities with a population of one million or more shall be allocated to private developers.

Pursuant to statutory and policy requirements, HCR will also consider in reviewing HOME applications the CHDO status of an applicant, as well as whether a project is located in a participating jurisdiction.

## **8. HTFC Board Approval**

All HTF, HOME, CIF, UI and RARP awards must be approved by the HTFC Board of Directors.

## **9. Outcome Letters**

Subject to the availability of funds, HCR expects to issue Outcome Letters approximately 120 days after the submission deadline for the funding round. There are three types of letters:

1. Application Review Letters are sent to unsuccessful Applicants regardless of which program(s) funds were requested from.
2. Award Letters are sent to all successful UF Applicants. This letter notifies the applicant that the project has been selected for funding, and sets forth the number of

units and award amount(s). The Award Letter is a preliminary notification, and is issued prior to the binding LIHC/SLIHC Reservation and Funding Commitment Letters, as described below.

3. In addition to the Award Letter, LIHC/SLIHC Reservation Letters are sent to successful Applicants who requested LIHC and/or SLIHC funding. These letters specify the terms and conditions of the reservation, including the reservation expiration date, and certain provisions which will be incorporated in the project's LIHC/SLIHC Regulatory Agreement.

Successful Applicants whose projects include both LIHC and/or SLIHC and HDF, HTF and/or HOME will receive both a LIHC/SLIHC Reservation Letter and an Award Letter.

#### **10. Funding Commitment Letters**

Funding Commitment Letters (FCLs) are expected to be issued approximately 45-60 business days after the preliminary Award Letter is issued for HTF and/or HOME funds, depending upon the readiness of an awardee to proceed and satisfy any conditions of an award. The FCL sets forth the terms and conditions under which HTFC will provide financing to the project and some of HTFC's requirements for the project's ongoing operation during the regulatory period, and is considered a binding agreement when signed and returned by the Applicant.

#### **11. Project Development Meeting**

The Project Development Meeting provides a forum for the applicant's development team and HCR to discuss the project's development timetable; the roles and responsibilities of the development team members and HCR; and the deliverables required under the terms of the executed Funding Commitment. Additional information on Project Development Meetings can be found in Section 3.02.08 of the CPM. Project development meetings will be scheduled to occur within 15 business days of the issuance of an award letter.

#### **12. Processing Time Frames**

Successful applicants will be required to agree to a development timetable outlining the timing of critical development milestones and establishing a schedule for the delivery of key documents for HCR staff review.

HCR expects to process a request for a construction loan closing or permanent takeout within 30 business days of receipt, if all conditions in the commitment letter have been met.

### **VII. REGIONAL OFFICE SERVICE AREAS**

Any questions regarding this RFP or the application process should be directed to the Regional Office which serves the county in which the proposed project is located. Regional office counties and Project Management contact persons for questions related to this RFP are listed below.

**Capital District Regional Office**

Hampton Plaza, 6<sup>th</sup> Floor

38-40 State Street

Albany, New York, 12207

Robert Shields, Senior Project Manager: (518) 486-5013

James Armstrong, Senior Project Manager: (518) 486-5011

John Serio, Senior Project Manager (518) 473-6959

Counties Served: Albany, Clinton, Columbia, Delaware, Dutchess, Essex, Fulton, Greene, Hamilton, Montgomery, Orange, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie, Sullivan, Ulster, Warren and Washington.

**Buffalo Regional Office**

Electric Building, Suite 105

535 Washington Avenue

Buffalo, New York 14203

Leonard Skrill, Upstate Director of Development (716) 847-3926

Kristin Slaiman, Senior Project Manager (716) 847-3085

Counties Served: Allegany, Cattaraugus, Chautauqua, Chemung, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler, Seneca, Steuben, Wayne, Wyoming and Yates.

**Syracuse Regional Office**

620 Erie Boulevard West, Suite 312

Syracuse, New York 13204

Leonard Skrill, Upstate Director of Development (716) 847-3926

Lois Holden, Senior Project Manager (315) 478-7179 x 219

Kathleen Karpinski, Senior Project Manager (315) 478-7179 x 217

Counties Served: Broome, Cayuga, Chenango, Cortland, Franklin, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, St. Lawrence, Tioga and Tompkins.

**New York City Regional Office**

25 Beaver Street, 7<sup>th</sup> Floor

New York, NY 10004, (212) 480-4543

Earnest Langhorne, Downstate Director of Development (212) 480-7473

Michael Ferguson, Senior Project Manager (212-480-7494)

Counties Served: Bronx, Kings, New York, Queens, Richmond, Nassau, Suffolk, Rockland and Westchester.

Updated: September 30, 2013

-END OF REQUEST FOR PROPOSALS-