Multifamily Unified Funding RFP

Record of Revisions October 6, 2017:

Page 44 – HWF, the scoring criteria has been changed to read “Community Impact/Revitalization (15), Financial Leveraging (25), Affordability (20), Project Readiness (25), Persons with Special Needs (5), Mixed Income (5), and Housing Opportunity Projects (5).”

Record of Revisions September 27, 2017:

Page 6 – under New Underwriting Conventions a), the statement has been changed to read “HCR will limit the amount of developer fee (LIHC/SLIHC projects) or developer’s allowance (non-LIHC/SLIHC projects) paid during construction to a maximum of 25% of the budgeted fee or allowance. See Section V. for more information.”

Page 6 – under New Underwriting Conventions b), the following statement has been added “If the required deferral equal to 15-year cash flow over $35 pu/pm exceeds 1/3 of the developer fee, HCR will allow this.”

Page 32 – SHOP, added Intellectual/Developmental Disabilities to target populations.

Page 36 – MIHP, Interest Rate and Loan Terms, changed loan term to 50 years.

Page 50 – CIF, under Design Guidelines, the section has been changed to read “Residential units financed with CIF are subject to HTFC Design Guidelines.”

Page 60 – under Underwriting Changes, b., Limitation of Developer Fee Paid During Construction, the statement has been changed to read “HCR will limit the amount of LIHC/SLIHC developer fee payable during construction to a maximum of 25% of the budgeted developer fee. “During construction” is defined as the period from construction financing closing through conversion to permanent financing. No more than 10% (for-profit developers) or 15% (not-for-profit developers) of the developer fee may be paid prior to the issuance of a Certificate of Occupancy (CO) or Temporary Certificate of Occupancy(TCO) for all project units. Upon issuance of a CO or TCO for all project units, up to 25% of the developer fee may be paid. The remainder of the fee may be paid at the time of permanent financing conversion. Applicants must show 75% of the developer fee deferred as a construction financing source in the development budget. The above limitations will also apply to non-LIHC/SLIHC projects which propose a developer allowance.”

Page 60 – under Underwriting Changes, c. Minimum Developer Fee Deferral Requirements, the following statement has been added “If the required deferral equal to 15-year cash flow over $35 pu/pm exceeds 1/3 of the developer fee, HCR will allow this.”

Page 72 – under the EPA ENERGY STAR Multifamily High Rise Program, the statement has been changed to read “Projects may qualify following either the prescriptive path or the
performance path to achieve a performance target of 15% over ASHRAE 90.1 2013 with addenda adapted by NYS or NYC, at a minimum.”

Page 72 – under the Enterprise Green Communities criteria, the statement has been changed to read “Choosing this strategy requires full participation in Enterprise Green Communities Criteria, utilizing ENERGY STAR certified Homes Version 3.1, or a performance target of 15% over ASHRAE 90.1 2013 with addenda adapted by NYS or NYC, at a minimum, as applicable for the building type.”

Record of Revisions September 1, 2017:

Page 60 – in Underwriting Changes c. Minimum Developer Fee Deferral Requirements, the statement has been changed to read “For LIHC/SLIHC financed projects, HCR will require projects with cash flow over $35 pu/pm, to defer as a permanent financing source developer fee equal to the aggregate amount of cash flow above $35 pu/pm over the project’s initial 15 years of occupancy.
Multifamily Programs Unified Funding

Request for Proposals

for Projects Financed by

- 9% Low-Income Housing Credit
- New York State Low-Income Housing Tax Credit
- Low-Income Housing Trust Fund Program
- New York State HOME Program
- Supportive Housing Opportunity Program
- Middle Income Housing Program
- Public Housing Preservation Program
- Multifamily Preservation Program
- Homes for Working Families Program
- Rural and Urban Community Investment Fund
- Housing Development Fund
- Section 8 Project Based Vouchers

August 2017
I. Introduction

A. General Information

The funding made available through this Request for Proposals and through other NYS Homes and Community Renewal (HCR) funding opportunities is a critical component of Governor Cuomo’s landmark $20 billion, five-year plan to combat homelessness and advance the construction and preservation of affordable housing in New York State. Made possible by the release of $2.5 billion in capital funding delivered in the Fiscal Year 2017-18 Budget, the plan will create and preserve more than 110,000 units of affordable housing over the next five years.

To advance the plan, 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 New York State Division of Housing and Community Renewal (DHCR) and the New York State Housing Trust Fund Corporation (HTFC), invites eligible applicants to apply for these housing resources through this Unified Funding (UF) 2017 Multifamily Programs Request for Proposals (RFP). This RFP describes the programmatic and submission requirements for the following UF Programs: the Low-Income Housing Credit Program (9% LIHC), the New York State Low-Income Housing Tax Credit Program (SLIHC), the Low-Income Housing Trust Fund Program (HTF), the New York State HOME Program (HOME), the Supportive Housing Opportunity Program (SHOP), the Middle Income Housing Program (MIHP), the Public Housing Preservation Program (PHP), the Multifamily Preservation Program (MPP) and the Homes for Working Family (HWF) Program. Applicants may also apply
for funding through the Rural and Urban Community Investment Fund (CIF) and the Housing Development Fund (HDF), as well as Section 8 Project Based Vouchers.

Under this RFP, applicants may only apply for funding for the new construction, rehabilitation, and/or adaptive reuse of site-specific projects that provide multifamily housing.

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. Applicants may request technical assistance with application preparation prior to the application deadline, and are encouraged to contact HCR as early in the application preparation process as possible due to time constraints. Please note, in some cases, applicants are required to schedule pre-application technical assistance conferences depending on the source of funds being requested, population served, or if they are contemplating submission of an Early Award application. In addition, applicants are strongly encouraged to schedule a pre-application technical assistance conference with HCR to discuss project acquisition costs if: (a) there is an identity of interest between the buyer and seller; (b) the appraisal supporting the acquisition cost relies on comparable sales data that includes properties located well outside of the real estate sales market for the proposed site; or (c) the proposed project is part of a planned multi-phase development. See Section VII. Regional Office Service Areas and Technical Assistance for more information.

HCR reserves the right to award all, a portion of, or none of the program funds based upon funding availability, feasibility of applications received, site suitability, the competitiveness of the applications, the applicant’s ability to meet HCR criteria for funding described in this RFP, the applicant’s ability to advance the State’s housing goals, and HCR’s assessment of cost reasonableness, as well as other considerations described in this RFP. 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.

HCR will also carefully consider the capacity of development teams to undertake more than one project within a single funding round based on the past performance of the developer or development team. In reviewing applications, HCR will also consider whether that developer or development team is currently engaged in projects relying on 4% LIHC and tax-exempt bonds.

Applicants are obligated to inform HCR if there are any material changes to applications after submission. Please note, however, that any information related to material changes provided after the application deadline will not be considered if the documentation would, in any way, enhance the competitiveness of the application. For example, applicants must disclose any loss of funding source(s) or changes in the local approval process. After application submission, applicants must send the required disclosure materials to UnifiedFundingModifications@nyshcr.org.
To ensure that applicants seek the most competitive financing terms available based on current market conditions, HCR expects all applicants to seek the most advantageous funding terms available from tax credit investors, tax credit syndication firms, or any lending institutions, or any other financing source related to the proposed project. Any identity of interest between applicants, owners and such financial institutions will be closely scrutinized to ensure the most advantageous market terms available to the project have been achieved. Any identity of interest between applicants, their development teams and financing sources will be closely scrutinized to ensure that the most advantageous financing terms have been secured. HCR reserves the right to require the solicitation of alternative financing partners acceptable to the agency.

In addition, be advised that all project applications approved for financing under a Housing Trust Fund Corporation administered program (all UF 2017 Programs except LIHC/SLIHC and HDF) are subject to the State Smart Growth Public Infrastructure Act (Chapter 433 of the Laws of 2010): https://legiscan.com/NY/text/A08011/id/45591. See Application Attachment A6, Environmental Approvals, Smart Growth Public Infrastructure Act, for more details.

Section 2040.3(e) of the DHCR 9% LIHC QAP establishes threshold eligibility requirements for the 9% LIHC and SLIHC programs, including a requirement that development teams do not include anyone who has participated in a publicly assisted program or project that has unresolved compliance issues or has otherwise been deemed in default by the funding agency. Consistent with this threshold eligibility requirement, HCR may find applications ineligible for funding under this RFP if the proposed development team includes developers, owners and/or managers of a project with overdue HTFC debt service payments that have not been fully repaid, corrected or otherwise resolved, as determined by HCR’s Asset Management Unit.

Applicants proposing rehabilitation of occupied buildings must request a site visit from HCR’s Architecture and Engineering Bureau to observe the building’s existing condition, and to 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 form must accompany this request. Projects which are requesting 9% LIHC or SLIHC only must use application Attachment B6. Projects which are requesting HTF, HOME, or CIF funds from HCR, with or without 9% LIHC or SLIHC, must use the HTFC physical needs assessment form, application Attachment B13, instead. Projects that propose a substantial, gut-rehabilitation, that will be replacing all existing systems with new systems, are not required to submit a physical needs assessment form for this visit, or with the application. Such proposals shall provide a preliminary set of design documents with the site visit request. Please see VII. Regional Office Service Areas and Technical Assistance for additional information.
B. New for UF 2017

There are several important changes to the RFP for UF 2017. Below is a list summarizing the most significant changes.

1. **New Funding Programs**
   As part of this RFP, up to $4 million in Homes for Working Families (HWF) funds, $10 million in Public Housing Preservation (PHP) and $15 million in Multifamily Preservation Program (MPP) funds are available to address New York State’s affordable housing needs. Please see the Program Term Sheets, Section IV. Program Announcements/Initiatives and Pilot for more details on each program.

2. **New Early Award State Housing Goals**
   The Notices of Funding and Credit Availability released in July 2017 announced four new State Housing Goals that can be advanced as part of Early Award applications: Downtown Revitalization Initiative Projects, Upstate Revitalization Initiative Projects, NYS Office of Mental Health Capital Projects, and DHCR/HTFC Portfolio Preservation Projects. Please see Section III. Early Award Applications for more details.

3. **New LIHC Set-Aside for Housing Opportunity Projects**
   Up to $5 million in 9% Low Income Housing Credit may be set-aside for projects that satisfy the criteria for Housing Opportunity Projects described in this RFP. See the Low-Income Housing Credit Program (9% LIHC) Program Term Sheet, Section IV. Program Announcements/Initiatives and Pilot for more information.

4. **Increased LIHC Set-Aside for Empire State Supportive Initiative Housing Projects and Supportive Housing Projects**
   The LIHC Set-Aside for Empire State Supportive Initiative Housing Projects and Supportive Housing Projects has been increased to $5 million. See the Low-Income Housing Credit Programs (9% LIHC) Program Term Sheet, Section IV. Program Announcements/Initiatives and Pilot for more information.

5. **Higher Funding Limits for SHOP, HTF, and HOME**
   This RFP increases the funding limits for the SHOP, HTF, and HOME programs, including additional funding specifically for projects that satisfy the criteria for Housing Opportunity Projects. See the Program Term Sheets, Section IV. Program Announcements/Initiatives and Pilot for more information.

6. **Technical Assistance Procedures**
   To further improve the quality of Technical Assistance offered to applicants by HCR, new procedures for requesting Technical Assistance are being implemented as part of this UF funding round. Please see Section VII. Regional Office Service Areas and Technical Assistance for more information.
7. **New Underwriting Conventions**

   a) HCR will limit the amount of developer fee (LIHC/SLIHC projects) or developer’s allowance (non-LIHC/SLIHC projects) paid during construction to a maximum of 25% of the budgeted fee or allowance. See Section V. for more information.

   b) For LIHC/SLIHC financed projects, HCR will require projects with cash flow over $35 per unit, per month, to defer as a permanent financing source developer fee equal to the aggregate amount of cash flow above $35 per unit, per month, over the project’s initial 15 years of occupancy. If the required deferral equal to 15-year cash flow over $35 pu/pm exceeds 1/3 of the developer fee, HCR will allow this.

   c) In projects proposing significant financing under a program financed by a housing agency of the City of New York, HCR will allow the deferral of more than 1/3 of the developer fee as a permanent source of financing, if the deferral is an underwriting requirement of the City agency.

   d) For projects which include non-HCR financed space, applicants must provide development and operating budgets for the entire project being proposed, even if portions of the project are not financed by HCR or are to be owned by an entity other than the LP/LLC owner of the residential project.

8. **Accessibility Affidavit**

   Effective this year, projects funded under UF 2017 will be required to submit a completed “New York State Homes and Community Renewal Affidavit of Project Compliance with Accessibility Requirements” form on or before the date of the project’s construction loan closing. The form can be found at:

   [http://www.nyshcr.org/Forms/AccessibilityAffidavit.pdf](http://www.nyshcr.org/Forms/AccessibilityAffidavit.pdf)

9. **Section 8 Project Based Vouchers**

   a) The Housing Opportunity Through Modernization Act of 2016 (HOTMA) voucher provisions took effect April 18, 2017. The HOTMA provisions, among other things, allow for the PBV Income Mixing Cap to be the greater of 25 units in a project or 25% of the units in a project. Please see Section IV. Program Announcements/Initiatives and Pilot for more information on the HCR Housing Choice Project Based Voucher Program (PBV) Initiative.

   b) Project Based Vouchers must be targeted to serve extremely low income households or be used in connection with the rehabilitation of certain projects currently regulated by HCR. See Section IV. Program Announcements/Initiatives and Pilot for more information on the HCR Housing Choice Project Based Voucher Program (PBV) Initiative.
II. Application Submission Deadlines and 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: www.nyshcr.org/Apps/CDOnline/

Printable instructions and screen shots of the CDOL Exhibits for the UF 2017 CDOL application will be available on the HCR Website at: http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2017/

UF 2017 will have three 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 will be for Early Round Empire State Supportive Housing Initiative (ESSHI) Projects, which meet the criteria set forth in Section III of this document. The third deadline is for all other capital projects.

Applications for Early Award Projects must be completed and submitted by 5:00 PM on Thursday, October 5, 2017. Applications for Early Round ESSI Projects must be completed and submitted no later than 5:00 PM on Tuesday, November 7, 2017. All other UF 2017 Capital Applications must be completed and submitted by 5:00 PM on Tuesday, December 5, 2017. In the event an application does not receive an Early Award for an application submitted pursuant to either the October 5th or November 7th deadline, 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. As noted above, applicants are strongly encouraged to schedule a pre-application technical assistance conference with HCR to discuss project acquisition costs if (a) there is an identity of interest between the buyer and seller; (b) the appraisal supporting the acquisition cost relies on comparable sales data that includes properties outside the market area of the project; or (c) the proposed project is part of a planned multi-phase development. Regional Offices are listed in Section VII of this document. Subsequent to submission of a UF 2017 capital application, unsolicited contact with HCR staff by applicants or any member of the project’s development team is not permitted until after funding notifications have been made.

Prior to the applicable application deadlines, prospective applicants may submit questions to UnifiedFunding@nyshcr.org. Answers to questions submitted by email will be posted on the UF 2017 webpage.
B. Additional Submission Information

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/2017/, except as where noted below.

These include:

1. UF 2017 Capital Application, available at: www.nyshcr.org/Apps/CDOnline/

2. Printable instructions for the UF 2017 Capital Application Exhibits and Attachments, including screen shots of the CDOL Exhibits;

3. Design Handbook;

4. Capital Programs Manual (CPM);

5. DHCR’s 9% LIHC Qualified Allocation Plan (QAP);

6. DHCR’s SLIHC Regulation – 9 NYCRR Part 2040.14;

7. UF 2017 Reference Materials;

8. UF 2017 Capital Application Workshop Presentation; and,


III. Early Award Projects

A. General Information

HCR seeks to encourage high quality, high readiness projects that advance specific New York State housing goals by providing an accelerated application and review process as part of UF 2017. In addition to meeting the general application requirements described in the RFP, Early Award applications must satisfy additional conditions and requirements not required of UF 2017 Standard round applications, including an earlier application submission deadline and a mandatory pre-application technical assistance 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 that advance the same policy goal, subject to the other funding considerations described in the UF 2017 RFP. If 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 2017 applications, applicants for Early Awards must also:

1. Submit a complete application by 5:00 PM, October 5, 2017, or by 5:00 PM, November 7, 2017 for ESSHl Projects;

2. Demonstrate that the project will be able to proceed to construction start within 120 calendar days of award, or within 180 days of award if the proposed project is in the City of New York. In evaluating a project’s readiness to proceed to construction, 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, including whether a project must comply with National Environmental Policy Act (NEPA) requirements, and status of financing commitments; and,

3. Provide documentation demonstrating that the application proposes a project that will clearly advance at least one State housing goal described below in Section B. Applications that advance more than one housing goal will be given preference.

Those applications which meet one or more of the Early Award State Housing Policy Goals, but are not submitted by the Early Award/ESSHI application deadlines, should indicate in the application which State Housing Goal(s) is being advanced by checking the appropriate box in the application. Applicants are strongly encouraged to identify the goal(s) advanced by the project so that HCR can consider this in the review process. Standard Round applicants, as well as Early Award applicants, should clearly make the case for the project meeting specific State Housing Goal(s) in Attachment F9, Proposal Summary.

B. Early Award State Housing Goals

In order to be eligible for an Early Award, applications must advance at least one of the following State Housing Goals:

1. Revitalization and Economic Development Goals
   a. Priority Projects Identified in Regional Economic Development Plans
      These applications will propose affordable housing projects that have been specifically endorsed in Regional Economic Development Council Strategic Plans and for which significant financial assistance has been made available as part of such plans.

   b. Downtown Revitalization Initiative Projects
      These applications will propose projects that clearly advance the objectives of an approved Downtown Revitalization Initiative strategic investment plan. Projects for which significant financial assistance has been made available as part of such plans will be prioritized.
c. Upstate Revitalization Initiative Projects

These applications will propose projects specifically identified in an Upstate Revitalization Initiative Plan for which at least a portion of project units will be affordable to low and/or moderate income households and for which significant financial assistance has been made available pursuant to such a plan.

d. Mixed-Income/Mixed-Use Revitalization

These applications will propose mixed-income projects in mixed-use neighborhoods that involve:

- the use/adaptive reuse of existing underutilized buildings;
- infill new construction; and/or,
- the demolition and replacement of buildings that are 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. Applications must clearly demonstrate community support of the proposed project, as evidenced by commitment of local resources and local actions that have been taken or will be taken in support of the project. In order to be considered mixed-income, applications must target at least 15% of the project units for households at incomes above federal LIHC limits.

Preference under this State housing goal will be given to applications that:

- demonstrate site control of land acquired through Land Banks, established pursuant to Article 16 of New York State Not-for-Profit Corporation Law, in neighborhoods that have experienced a high incidence of abandoned, “zombie” properties;
- propose a retail or community service component that will address an unmet community need identified in a neighborhood-specific revitalization plan;
- propose a project resulting in the cleanup and redevelopment of property that has been determined to be eligible to participate in the New York State Brownfield Cleanup Program (BCP). In order to be eligible for this preference, applications must propose a plan of finance that fully utilizes all BCP tax credits generated from the cleanup and redevelopment of the property;
- propose a project that is part of a neighborhood-specific revitalization plan that also includes the development of new affordable homeownership units and/or the rehabilitation of existing owner-occupied housing; and/or,
- propose a comprehensive workforce development plan for the recruitment, training, and hiring of low-income residents from the neighborhoods surrounding the proposed
The proposed plan must be based on demonstrated, successful best practices with specific hiring targets that exceed any targets for which the project would otherwise be subject to as a condition of receiving federal or State funding.

2. Supportive Housing Goals
   a. Empire State Supportive Housing Initiative (ESSHI) Projects
      These applications will propose Supportive Housing Projects that have received Conditional Award Notifications through the Empire State Supportive Housing Initiative, Inter-Agency Service and Operating Funding Opportunity RFP and for which at least 50% of the project’s total units will serve an eligible target population.

   b. New York/New York III Projects
      Applicants must demonstrate they have secured a commitment of NY/NY III service and operating subsidy for at least 50% of the project’s total units.

   c. NYS Office of Mental Health Capital Projects
      These applications must propose projects that have received a commitment from the NYS Office of Mental Health for capital and operating subsidy to support at least 50% of the project’s total units.

3. Workforce Opportunity Goals
   a. Housing Opportunity Projects (HOP)
      These applications will propose workforce housing in areas experiencing economic growth that are served by high performing schools. Projects must be located in areas that have stable or growing tax bases, and must also be in close proximity to public transportation (half-mile safe walking distance which includes sidewalks and pedestrian traffic controls at any major street intersection with regularly occurring public transportation, for example, a once a week stop would not be considered regularly occurring), child care, and employment opportunities. Eligible projects must be located in census tracts with poverty rates of less than 10% that have been linked to “High and Moderate Proficiency School Districts” based on the New York State Math and English Language Arts test scores for grades 3 through 8 in the 2015-16 school year. (See UF 2017 Reference Materials for a list of these census tracts.) Proposed projects must have an average of 2 bedrooms. HOP projects may not be: 1) intended for, and solely occupied by persons 62 years of age or older; or 2) intended and operated for occupancy by persons 55 years of age or older. Applications that clearly advance this goal will be eligible for a 130% LIHC basis boost, based on a DHCR designation, as 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 Transportation Authority (MTA) rail stations outside the City of New York, or within a half mile safe walking distance (including sidewalks and pedestrian traffic
controls at any major street intersection) of an MTA subway station within the City of New York; or, which are in communities that have completed and are implementing TOD plans that clearly link the proposed project to expanded transportation choices for tenants; or, which are in close proximity to multi-modal transportation centers that will contribute to the development of vibrant, mixed-use, high-density neighborhoods through the adaptive reuse of non-residential buildings or through infill development.

4. Affordable Housing Preservation Goals
   a. Rural Preservation Projects
   These are 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 CIF. Requests are limited to $2 million per project in CIF funds, and $40,000 per unit, and must satisfy all CIF program requirements described in this RFP.

   b. Public Housing Redevelopment Projects
   These applications must propose the gut rehabilitation and/or demolition and replacement of substandard public housing located outside the City of New York. Applicants must demonstrate that the proposed project cannot be financed using tax-exempt bonds and 4% LIHC under HCR’s current Multifamily Open Window Request for Proposals. Applicants must also demonstrate that necessary operational economies have been implemented or will be implemented as part of the project’s plan of finance.

   c. DHCR/HTFC Portfolio Preservation Projects
   These applications will propose the rehabilitation of projects currently regulated by the New York State Division of Housing and Community Renewal and/or the New York State Housing Trust Fund Corporation that have significant unmet physical needs which cannot be addressed solely through the use of existing project reserves and for which the mismanagement of the property is not a significant contributing factor. Applications must propose a scope of work extending the expected useful life of the project by no less than 20 years and which satisfies heightened energy efficiency standards specified by HCR in the UF 2017 RFP. Successful applications must demonstrate that at least 90 percent of proposed total development costs (excluding debt rolled over as part of the preservation financing) 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 Multifamily Preservation Program (MPP). Requests are limited to $2 million in MPP funds, and $50,000 per unit, and must satisfy any additional MPP requirements described in the UF 2017 RFP.
IV. Program Announcements/Initiatives and Pilot

A. Program Announcements

Low-Income Housing Credit Program (9% LIHC)

Low-Income Housing Credit Program (9% LIHC): The Low-Income Housing Credit Program (9% LIHC) provides a dollar-for-dollar reduction in federal tax liability to investors partnering with project sponsors in the development of qualified low-income housing that meets the statutory requirements of Section 42 of the Internal Revenue Code (IRC).

9% 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 the IRC.

Applicants requesting 9% LIHC are referred to Section 42 of the IRC and are advised to carefully review the DHCR 9% LIHC Qualified Allocation Plan (QAP) prior to submission of an application. The QAP includes program definitions, threshold eligibility review criteria, project scoring and ranking criteria, clarifications regarding DHCR’s allocation process, certain project underwriting criteria 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 9% LIHC applications submitted for projects located outside of the City of New York. Both the QAP and the Pre-Qualified Market Analysts list are available at: http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2017/

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.

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<thead>
<tr>
<th>FY 2017-18 Anticipated Amount Available</th>
<th>Approximately $28 million.</th>
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<tbody>
<tr>
<td>Per Project Maximum Award</td>
<td>Up to $1.43 million per project annual 9% LIHC allocation with the following exception: up to $1.65 million may be requested for projects in which 50% or more of the units have three or more bedrooms to serve large families (defined as households with five or more persons).</td>
</tr>
<tr>
<td>Per Residential Unit Maximum Award</td>
<td>Up to $22,000 per unit.</td>
</tr>
<tr>
<td>Interest Rate and Loan Terms</td>
<td>N/A</td>
</tr>
<tr>
<td>Construction and/or Permanent Financing</td>
<td>N/A</td>
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<tr>
<td>Eligible Uses</td>
<td>Residential only or residential with Community Service Facility; new construction, building acquisition with rehabilitation, and rehabilitation.</td>
</tr>
<tr>
<td>Priorities</td>
<td>ESSHI, Supportive Housing and Housing Opportunity 9% LIHC Set-Aside. See 9% LIHC Set-Aside Information below; other State Housing Goals.</td>
</tr>
<tr>
<td>Scoring Criteria</td>
<td>Community Impact/Revitalization (15), Financial Leveraging (13), Sponsor Characteristics (10), Green Building (5), Fully Accessible and Adapted, Move-In Ready Units (5), Affordability (5), Individuals with Children (5), Marketing Plan/Public Assistance (5), Project Readiness (10), Persons with Special Needs (5), Participation of Non-Profit Organizations (4), Mixed Income (5), Historic Nature of Project (3), Cost Effectiveness (5), Housing Opportunity Projects (3) and Minority and Women Owned Business Enterprise Participation (2).</td>
</tr>
<tr>
<td>Area Median Income (AMI) Restrictions</td>
<td>Low-income households earning up to 60% of AMI. Must meet one of the following statutory income related occupancy requirements: 1) 20% of the units must be set-aside for households earning 50% or less of AMI; 2) 40% of the units must be set-aside for households earning 60% or less of AMI; or 3) 25% of the units must be set-aside for households earning 60% or less of AMI where allowable under the IRC (i.e., New York City only).</td>
</tr>
<tr>
<td>Eligible Applicants</td>
<td>Not-for-profit developers, for-profit developers, individuals, corporations, limited partnerships, and limited liability corporations.</td>
</tr>
<tr>
<td>Regulatory Agreement Requirements</td>
<td>Minimum of 50 years</td>
</tr>
<tr>
<td>Reserve Requirements</td>
<td>Initial operating reserve capitalization equal to the lesser of 1% of TDC or 50% of project gross rent. No annual reserve contributions required unless LIHC is requested in conjunction with another HCR subsidy requiring annual contributions, e.g., HTF or HOME. Initial replacement reserve capitalization equal to $1,000 per unit. Annual replacement reserve contribution equal to $250 per unit.</td>
</tr>
<tr>
<td>Geographic Targeting</td>
<td>Awards will promote a statewide geographic distribution of this financing.</td>
</tr>
<tr>
<td>Environmental Review</td>
<td>Submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review</td>
</tr>
</tbody>
</table>
Act including a Phase I Environmental Assessment and a “No Impact” determination from the State Historic Preservation Office. See application instructions for Attachment A4 (SHPO) and A5 (SEQR) for more information.

| Design Guidelines | Must meet design requirements indicated in the QAP in addition to the requirements referenced in this RFP. Please note, Design Handbook square footage and common space maximums continue to apply. |
| Marketing Plan Requirements | Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements. |
| NYS MWBE Requirements | None. |
| Application Fee | $3,000 at application submission with the following exception: not-for-profit applicants (or their wholly-owned subsidiaries) which have not received HCR capital funding since 2013 and which serve as the sole general partner (or co-general partner with another non-profit) or the partnership/project owner or the sole managing member (or co-managing member with another non-profit) of the limited liability company/project owner. Such an applicant may request a deferral of payment until the time of credit allocation and such deferral requests must document applicant financial hardship, no HCR funded projects since 2013 and the inability to remit the application fee at the time of application. Deferral requests must be submitted no later than one month in advance of the appropriate application due date. Written application deferral approvals granted by HCR must be appended to the application (see the UF 2017 Capital Application Instructions for Attachment F2 for fee submissions instructions). Send deferral requests to: Mr. Arnon Adler, Tax Credit Program Manager, NYS HCR, Hampton Plaza, 38-40 State St 6th Floor South, Albany, NY 12207. Arnon.adler@nyshcr.org |
| Monitoring and Service Fees | Monitoring fee of .5% multiplied by the maximum restricted rents of the low-income units. |
| Deadline | Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESHHI Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects. |

9% LIHC Set-Asides

HCR expects to set-aside a total of $10 million of the available UF 2017 9% LIHC for the following program priorities: Empire State Supportive Initiative Housing (ESHHI) Projects and
Supportive Housing Projects Set-Aside ($5 million), and the Housing Opportunity Set-Aside ($5 million). DHCR may exceed these set-aside amounts depending upon the number of competitive and feasible Supportive Housing and Housing Opportunity applications received.

a. Empire State Supportive Housing Initiative (ESSHI) Projects

In order to qualify under this set-aside, applicants must demonstrate: (a) they have received a Conditional Award Notification through the Empire State Supportive Housing Initiative, Inter-Agency Service and Operating Funding Opportunity RFP to fund appropriate services for the targeted population; (b) the proposed project gives preference in tenant selection to persons with special needs for at least 50% of the project units; and (c) the project satisfies the definition of supportive housing cited in Section 2040.2(u) of the QAP, provided however that applicants may satisfy the capital financing requirement of that definition by requesting SHOP funds through the UF process pursuant to this RFP.

b. Supportive Housing Projects

A Supportive Housing Project, as defined in Section 2040.2(u) of the QAP and this RFP, is a project that gives preference in tenant selection to persons with special needs for at least 50% of the project units. Persons with special needs for the purposes of this set-aside are defined in Section 2040.2(p) of the QAP. To be considered a Supportive Housing Project under the set-aside, an application must:

i. document the need for housing for the targeted population within the primary market area (may include Continuum of Care data or local data that was collected as part of community planning activities);

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 transportation, or include a transportation plan as a component of the comprehensive service plan to ensure access to necessary services;

iv. include a provision for an ongoing rental subsidy or other form of subsidy to ensure rents paid by the targeted population remain affordable;

v. demonstrate a firm commitment for capital financing from a governmental agency serving the proposed target population and/or have a commitment of service and operating funding from a governmental agency serving the proposed target population;

vi. 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; and,
vii. the project must provide an integrated setting that enables individuals with disabilities to live independently and without restrictive rules that limit their activities or impede their ability to interact with individuals without disabilities.

Please note that any applicant considering a project that would give preference in tenant selection to persons with special needs for more than 60% of a project’s bedrooms are required to schedule a pre-application technical assistance conference with HCR, and the State, federal and/or local agency that is providing the funding for appropriate services. The purpose of this conference is to explore whether the contemplated project is consistent with the Olmstead decision.

c. Housing Opportunity Projects (HOP)
In order to qualify under the Housing Opportunity Projects Set-Aside, eligible projects must be located in census tracts with poverty rates of less than 10% that have been linked to “High and Moderate Proficiency School Districts” based on the New York State Math and English Language Arts test scores for grades 3 through 8 in the 2015-16 school year. (See UF 2017 Reference Materials for a list of these census tracts.) Proposed projects must have an average of 2 bedrooms. HOP projects may not be: 1) intended for, and solely occupied by persons 62 years of age or older; or 2) intended and operated for occupancy by persons 55 years of age or older. Applications that clearly advance this goal will be eligible for a 130% LIHC basis boost, based on a DHCR designation, as authorized by the Housing and Economic Recovery Act of 2008.
New York State Low-Income Housing Tax Credit Program (SLIHC)

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 partnering with project sponsors in the development of qualified low-income housing that meets the statutory requirements of Article 2-A of NYS Public Housing Law and which also has received an allocation under the criteria and procedures established in the SLIHC Regulation, Section 2040.14 of NYCRR. The SLIHC Regulation is included with the UF 2017 Materials: [http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2017/](http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2017/)

Please note that HCR has also made approximately $4 million in SLIHC available as part of the open window RFP administered by NYS HFA for applications that propose using SLIHC in conjunction with private activity tax-exempt bonds and 4% LIHC to finance the new construction or rehabilitation of affordable housing.

<table>
<thead>
<tr>
<th>FY 2017-18 Anticipated Amount Available</th>
<th>Approximately $4 million.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Project Maximum Award</td>
<td>Up to $500,000 per project. Projects proposing that 10% or more of the total project units will be SLIHC-assisted and affordable and targeted to households with incomes above 60% of AMI may request a maximum SLIHC allocation of $750,000.</td>
</tr>
<tr>
<td>Per Residential Unit Maximum Award</td>
<td>N/A</td>
</tr>
<tr>
<td>Interest Rate and Loan Terms</td>
<td>N/A</td>
</tr>
<tr>
<td>Construction and/or Permanent Financing</td>
<td>N/A</td>
</tr>
<tr>
<td>Eligible Uses</td>
<td>Residential only; new construction, building acquisition with rehabilitation, and rehabilitation.</td>
</tr>
<tr>
<td>Priorities</td>
<td>In addition to the general priorities listed in the RFP, preference will be given to projects that would qualify for the maximum number of points under the SLIHC scoring criteria for Income Mixture.</td>
</tr>
<tr>
<td>Scoring Criteria</td>
<td>Community Impact/Revitalization (15), Financial Leveraging (13), Sponsor Characteristics (10), Green Building (5), Fully ACCESSIBLE and Adapted, Move-In Ready Units (5), Individuals with Children (5), Marketing Plan/Public Assistance (5), Project Readiness (10), Persons</td>
</tr>
<tr>
<td><strong>Area Median Income (AMI) Restrictions</strong></td>
<td>Individuals and families up to 90% of AMI. At least 40% of the units must be set-aside for households with incomes at or below 90% of AMI.</td>
</tr>
<tr>
<td><strong>Eligible Applicants</strong></td>
<td>Not-for-profit developers, for-profit developers, individuals, corporations, limited partnerships, and limited liability corporations.</td>
</tr>
<tr>
<td><strong>Regulatory Agreement Requirements</strong></td>
<td>Minimum of 50 years</td>
</tr>
<tr>
<td><strong>Reserve Requirements</strong></td>
<td>Initial operating reserve capitalization equal to the lesser of 1% of TDC or 50% of project gross rent. No annual reserve contributions required unless SLIHC is requested in conjunction with another HCR subsidy requiring annual contributions, e.g., HTF or HOME. Initial replacement reserve capitalization equal to $1,000 per unit. Annual replacement reserve contribution equal to $250 per unit.</td>
</tr>
<tr>
<td><strong>Geographic Targeting</strong></td>
<td>Awards will promote a statewide geographic distribution of this financing.</td>
</tr>
<tr>
<td><strong>Environmental Review</strong></td>
<td>Submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act including a Phase I Environmental Assessment and a “No Impact” determination from the State Historic Preservation Office. See application instructions for Attachments A4 (SHPO) and A5 (SEQR) for more information.</td>
</tr>
<tr>
<td><strong>Design Guidelines</strong></td>
<td>Must meet design requirements indicated in the SLIHC Regulations and the QAP in addition to the requirements referenced in this RFP. Please note, Design Handbook square footage and common space maximums continue to apply.</td>
</tr>
<tr>
<td><strong>Marketing Plan Requirements</strong></td>
<td>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</td>
</tr>
<tr>
<td><strong>NYS MWBE Requirements</strong></td>
<td>None.</td>
</tr>
<tr>
<td><strong>Application Fee</strong></td>
<td>$3,000 at application submission with the following exception: not-for-profit applicants (or their wholly-owned subsidiaries) which have not received HCR capital funding since 2013 and which will serve as the</td>
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<tr>
<td>sole general partner (or co-general partner with another non-profit) or the partnership/project owner or the sole managing member (or co-managing member with another non-profit) of the limited liability company/project owner. Such an applicant may request a deferral of payment until the time of credit allocation and such deferral requests must document applicant financial hardship, no HCR funded projects since 2013 and the inability to remit the application fee at the time of application. Deferral requests must be submitted no later than one month in advance of the appropriate application due date. Written application deferral approvals granted by HCR must be appended to the application (see the UF 2017 Capital Application Instructions for Attachment F2 for fee submissions instructions). Send deferral requests to: Mr. Arnon Adler, Tax Credit Program Manager, NYS HCR Hampton Plaza, 38-40 State St 6th Floor South, Albany, NY 12207. <a href="mailto:arnon.adler@nyshcr.org">arnon.adler@nyshcr.org</a></td>
<td></td>
</tr>
<tr>
<td><strong>Monitoring and Service Fees</strong></td>
<td>Monitoring fee of .5% multiplied by the maximum restricted rents of the low-income units.</td>
</tr>
<tr>
<td><strong>Deadline</strong></td>
<td>Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESSHI Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.</td>
</tr>
</tbody>
</table>
Low-Income Housing Trust Fund (HTF) Program

Housing Trust Fund Program (HTF): HCR will provide funding for new construction or rehabilitation of vacant, underutilized, or occupied residential property affordable to households that earn up to 90% of AMI (80% of AMI in New York City) and that may advance one or more of the State Housing Goals. These goals include the redevelopment of State-owned and municipally-owned sites, and developments that meet critical needs in their communities, such as integrated supportive housing, family housing in high performing school districts, community redevelopment and revitalization, and developments specifically supported by the Regional Economic Development Councils.

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.

Rehabilitation projects may include the 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 co-operators 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 nonresidential 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.

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.
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 requesting both HTF and HOME funds for a project, the funding limits below apply to the combined HTF and HOME request.

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

<table>
<thead>
<tr>
<th>FY 2017-18 Anticipated Amount Available</th>
<th>Approximately $65.2 million (subject to appropriation).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Project Maximum Award</td>
<td>Up to $2.4 million, with the following exception: up to $3.4 million may be requested for family projects meeting Housing Opportunity Project criteria, as cited in the 9% LIHC Set-Aside, with an average of 2 bedrooms provided in the project.</td>
</tr>
<tr>
<td>Per Residential Unit Maximum Award</td>
<td>$125,000</td>
</tr>
<tr>
<td>Interest Rate and Loan Terms</td>
<td>0% construction financing; 1% permanent financing for LIHC/SLIHC projects, budgeted above-the-line, and payable in any year the project has income remaining after the payment of all operating expenses, required reserve contributions, and superior lien debt service; 0% permanent interest in non-tax credit projects. 30-year loan term pursuant to statute.</td>
</tr>
<tr>
<td>Construction and/or Permanent Financing</td>
<td>HTF is available for construction financing or permanent financing.</td>
</tr>
<tr>
<td>Eligible Uses</td>
<td>Primarily residential: rental, cooperatives or condominiums; up to 10% of an HTF award may be used for costs associated with the development of 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; project with fewer than three units where project creates an additional unit. Residential buildings to be rehabilitated may be vacant, underutilized or distressed; nonresidential space to be converted must be underutilized or vacant prior to application. 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.</td>
</tr>
<tr>
<td>Priorities</td>
<td>Economic Development Projects including those financed and/or supported by a Regional Economic Development Council, Integrated Supportive Housing Projects, Community Renewal and Revitalization Projects, Housing Opportunity Projects, Rural Preservation Projects, Workforce Opportunity Projects and other State Housing Goals.</td>
</tr>
<tr>
<td>Scoring Criteria</td>
<td>Community Impact/Revitalization (15), Financial Leveraging (10), Sponsor Characteristics (10), Green Building (5), Fully Accessible and Adapted, Move-In Ready Units (5), Affordability (10), Individuals with Children (5), Marketing Plan/Public Assistance (5), Project Readiness (10), Persons with Special Needs (5), Participation of Non-Profit Organizations (4), Mixed Income (3), Historic Nature of Project (3), Cost Effectiveness (5), Housing Opportunity Projects (3) and Minority and Women Owned Business Enterprise Participation (2).</td>
</tr>
<tr>
<td>Area Median Income (AMI) Restrictions</td>
<td>Up to 90% of AMI outside of New York City (up to 80% of AMI in New York City).</td>
</tr>
<tr>
<td>Regulatory Agreement Requirements</td>
<td>30 years</td>
</tr>
<tr>
<td>Reserve Requirements</td>
<td>HTF projects without LIHC/SLIHC: no operating reserve capitalization required; HTF, by statute, may not fund an operating reserve. HTF with LIHC/SLIHC: operating reserve capitalization equal to the lesser of 1% of TDC or 50% of project gross rent is required, must be funded with equity. All HTF projects: Annual operating reserve contributions equal to 3% of gross rents.</td>
</tr>
<tr>
<td>Operating Reserves</td>
<td>HTF with LIHC/SLIHC: replacement reserve capitalization equal to $1,000 per unit. HTF without LIHC/SLIHC: no requirement for capitalized replacement reserve. HTF without LIHC/SLIHC: annual replacement reserve contribution of .5% of total construction cost capped at $800 per unit for family/non-senior; $400 per unit for senior projects. HTF with LIHC/SLIHC: Annual replacement reserve contribution equal to $250 per unit.</td>
</tr>
<tr>
<td>Replacement Reserves</td>
<td>Projects which involve not-for-profit corporations or their wholly-owned subsidiaries in which 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.</td>
</tr>
<tr>
<td><strong>Geographic Targeting</strong></td>
<td>Awards will seek to promote a statewide geographic distribution of this financing.</td>
</tr>
<tr>
<td>--------------------------</td>
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</tr>
<tr>
<td><strong>Environmental Review</strong></td>
<td>All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act including a current Phase I Environmental Site Assessment and a “No Impact” determination from the State Historic Preservation Office.</td>
</tr>
<tr>
<td><strong>Design Guidelines</strong></td>
<td>Must meet the HTFC Design Handbook guidelines.</td>
</tr>
<tr>
<td><strong>Marketing Plan Requirements</strong></td>
<td>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</td>
</tr>
<tr>
<td><strong>NYS MWBE Requirements</strong></td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Deadline</strong></td>
<td>Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESSH1 Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.</td>
</tr>
</tbody>
</table>
New York State HOME Program

NYS HOME Program: HCR will provide this federal financing source for the acquisition, rehabilitation or construction for site-specific multi-family rental housing projects. Applicants are reminded that Davis-Bacon wage requirements are applicable to construction and/or preservation of all projects with 12 or more HOME-assisted units.

It is one of the purposes of the HOME Program to provide, 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 of more than $200,000 for new construction or rehabilitation projects, and their contractors, agree to comply with the provisions set forth at 24 CFR Part 135. Each applicant is required to submit with its UF application a Section 3 Participation Plan which includes a HUD Section 3 Resident Employment Plan. This HUD Section 3 Plan cites the applicant’s intentions and commitments concerning the hiring of HUD Section 3 residents to perform the work contemplated by this RFP, and provides information pertaining to the Contractor’s affirmative efforts concerning HUD Section 3 Business participation and its efforts in aspiring to meet the numerical goals specified in 24 CFR 135.30. If the Contractor is a Section 3 Business, it must also submit with its Proposal, a Section 3 Business Certification form.

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). For a HOME multi-family rental project to qualify under the CHDO set-aside, the project ownership structure must comply with the terms of 24 CFR 92.300 of the 2013 HOME Final Rule. 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 2013 Final Rule, to ensure that the project meets all requirements for CHDO control of the project if you intend to compete under the CHDO set-aside.

If HOME funds are being requested to demolish, rehabilitate, or acquire an occupied property (either residential or non-residential), applicants must comply with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (49 CFR Part 24), Section 104 (d) of the Community Development Act, and the HOME Regulations (24 CFR Part 92) regarding rules for relocation of occupants. Applicants should also refer to HCR’s Residential Antidisplacement and Relocation Assistance Plan and Appeals Process available at: http://www.nyshcr.org/Funding/UnifiedFundingMaterials/2017/.

Applicants must also provide HCR with the information necessary to complete a National Environmental Policy Act (NEPA) review in accordance with 24 CFR Part 58. Note that the NEPA review for a project can add three or more months to the environmental review time.
For any project awarded HOME funds, a federal environmental review (NEPA review) performed in accordance with 24 CFR 58 MUST also be completed and approved by HCR prior to any choice-limiting activities conducted regarding the proposed project or project site(s), including entering into an AHAP, or commencing any form of project site preparation or construction. Any such choice-limiting activity conducted on the site by any party prior to completion of NEPA by HCR, and receipt of HCR authorization to begin construction, will result in termination of the HOME award for the project. Applicants must account for the timeframe for completing the NEPA Review in preparing their application’s development timetable.

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

<table>
<thead>
<tr>
<th>FY 2017-18 Anticipated Amount Available</th>
<th>Approximately $7 million (subject to appropriation).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Project Maximum Award</td>
<td>Up to $2.4 million, with the following exception: up to $3.4 million may be requested for family projects meeting Housing Opportunity Project criteria, as cited in the 9% LIHC Set-Aside, with an average of 2 bedrooms provided in the project.</td>
</tr>
<tr>
<td>Per Residential Unit Maximum Award</td>
<td>Per HOME Maximum Program Subsidy Limits.</td>
</tr>
<tr>
<td>Interest Rate and Loan Terms</td>
<td>0% construction financing; 1% permanent financing for LIHC/SLIHC projects, budgeted above-the-line, and payable in any year the project has income remaining after the payment of all operating expenses, required reserve contributions, and superior lien debt service; 0% permanent interest in non-tax credit projects. 30-year loan term.</td>
</tr>
<tr>
<td>Construction and/or Permanent Financing</td>
<td>HOME is available for permanent financing and may be available for construction financing depending on the proposed project’s financing plan and developer experience. HOME projects utilizing 9% LIHC are required to use HOME funds as construction financing.</td>
</tr>
<tr>
<td>Eligible Uses</td>
<td>Any customary development hard costs, acquisition related soft costs or relocation costs. HCR will not allow HOME capital funds to be used for the purchase of furniture and equipment. If the project is funded by more than one source of HOME funds, total HOME funds from all participating jurisdictions must be within published HOME maximum subsidy limits.</td>
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</tr>
<tr>
<td><strong>Scoring Criteria</strong></td>
<td>Community Impact/Revitalization (15), Financial Leveraging (10), Sponsor Characteristics (10), Green Building (5), Fully Accessible and Adapted, Move-In Ready Units (5), Affordability (10), Individuals with Children (5), Marketing Plan/Public Assistance (5), Project Readiness (10), Persons with Special Needs (5), Participation of Non-Profit Organizations (4), Mixed Income (3), Historic Nature of Project (3), Cost Effectiveness (5), Housing Opportunity Projects (3) and Minority and Women Owned Business Enterprise Participation (2).</td>
</tr>
<tr>
<td><strong>Area Median Income (AMI) Restrictions</strong></td>
<td>HOME assisted rental units must be occupied by households with incomes at or below 60% of Area Median Income.</td>
</tr>
<tr>
<td><strong>Eligible Applicants</strong></td>
<td>Individuals and private for profit and not-for-profit organizations with a demonstrated capacity to develop feasible projects; units of local government which are not HOME participating jurisdictions, either directly or part of a HOME consortium, as are agencies under their control; CHDO’s which are community based, not-for-profit organizations with experience in providing low-income housing assistance.</td>
</tr>
<tr>
<td><strong>Regulatory Agreement Requirements</strong></td>
<td>Terms are dependent upon amount of HOME financing (see 24 CFR 92.252(e)).</td>
</tr>
<tr>
<td><strong>Reserve Requirements</strong></td>
<td>HOME stand-alone projects: no operating reserve or replacement reserve capitalization required; HOME by statute, may not fund reserves. HOME with LIHC/SLIHC: operating reserve capitalization equal to the lesser of 1% of TDC or 50% of project gross rent; must be funded by equity. All HOME projects: annual operating reserve contributions equal to 3% of gross rents.</td>
</tr>
<tr>
<td><strong>Operating Reserves</strong></td>
<td>HOME with LIHC/SLIHC: replacement reserve capitalization equal to $1,000 per unit, funded by equity. HOME without LIHC/SLIHC: annual replacement reserve contribution of .5% of total construction cost capped at $800 per unit for family /non-senior; $400 per unit annually for senior projects. HOME with LIHC/SLIHC: Annual replacement reserve contribution equal to $250 per unit.</td>
</tr>
<tr>
<td><strong>Additional Eligibility Criteria</strong></td>
<td>New York State is required to set-aside a minimum of 15% of HOME funds for locally-based not-for-profit entities that qualify as CHDO’s.</td>
</tr>
</tbody>
</table>
For a HOME multi-family rental project to qualify under the CHDO set-aside, the project ownership structure must comply with the terms of 24 CFR 92.300 of the 2013 HOME Final Rule.

Geographic Targeting
80% of New York State’s HOME funds must be spent on projects located outside of HUD-designated Participating Jurisdictions (PJs).

Environmental Review
All projects must submit documentation necessary to enable HCR to make an acceptable finding under NEPA and the State Environmental Quality Review Act including a current Phase I Environmental Site Assessment and a “No Impact” determination from the State Historic Preservation Office (SHPO). Prospective applicants are advised to consult the provisions of the NEPA requirements at 24 CFR 58 in regard to the significant federally-mandated restrictions concerning conducting any physical site work or construction between the time of application submission and construction financing closing. Such work could constitute choice-limiting activities that could disqualify the project sponsor from receiving HOME funding and proceeding to construction.

Design Guidelines
Must meet the HTFC Design Handbook guidelines.

Marketing Plan Requirements
Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.

NYS MWBE Requirements
Yes

Deadlines
Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESHHI Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.

**HOME Program Advisory**

1. Utility Allowances
The 2013 HOME Final Rule 24 CFR Part 92 requires Participating Jurisdictions to establish the Utility Allowances for HOME-assisted rental units by using either the HUD Utility Schedule Model or a project-specific methodology. For site-specific multi-family rental projects which are awarded HOME funds under the Unified Funding process, HCR will now require an IRS compliant Energy Consumption Model (ECM) to be used as the method for establishing project-specific Utility Allowances in HOME projects. Due to timing considerations, an ECM model is not required at the time of application for HOME assistance, but applicants should be aware that, if funded, an ECM must be submitted prior to the start of construction. HOME awardees must use the Utility Allowance established by the ECM for all HOME funded units; Public Housing Authority (PHA) Section 8 utility
allowances **may only** be used for HOME-funded units that will have project-based Section 8 rental assistance.

Per IRS regulations (26 CFR 1.42-10(b)(4)(E)), the energy and water and sewage consumption and analysis model must be prepared by a properly licensed engineer or a qualified professional, who is independent of the property ownership. The regulations require that the model must, at a minimum, consider specific factors including, but not limited to, unit size, building orientation, design and materials, mechanical systems, appliances, characteristics of the building location, and available historical data. Please see Section 5 of the CPM for more information.

2. **Projects financed with 9% LIHC and HOME**
   All projects financed with 9% LIHC and NYS HOME must use the HOME funds as construction financing. Please see Sections 5 and 6 of the CPM for more information on using HCR funds as construction financing.
Supportive Housing Opportunity Program

Supportive Housing Opportunity Program (SHOP): Providing affordable, supportive housing for our most vulnerable populations across the State is a key tenet of HCR initiatives to create and preserve housing units. People with special housing needs live in nearly every community across the State and often lack the infrastructure – social and physical – to afford good quality, safe housing and the services they need to survive independently and live productively. In its administration of this program, HCR will coordinate with other New York State agencies to combat homelessness by financing 6,000 new supportive beds and services over the next five years.

SHOP provides financing assistance for site acquisition, hard costs and related soft costs associated with the new construction of, or the adaptive reuse of a non-residential property, to affordable supportive housing with on-site social services. Service and operating funding for supportive units are required in order to qualify for SHOP funds. Service and operating funding is available through the Empire State Supportive Housing Initiative (ESSHI) or other State and/or local government agencies. Projects with ESSHI Conditional Award Notifications will have priority. Section 8 Project Based Vouchers issued by HCR or a local administrator cannot be used in conjunction with ESSHI projects.

Please note that applicants seeking SHOP funding in conjunction with tax exempt bond financing must apply under the Open Window RFP. Applicants requesting SHOP funds may not also request HOME funds. SHOP funds may be requested in conjunction with HTF provided HTF program funds subsidize units targeted to households above 60% AMI exclusively.

HCR expects that approximately 20% of the SHOP awards will be directed to fund projects that serve high-cost Medicaid users under the Medicaid Redesign Team (MRT) Supportive Housing Initiative. Applicants with projects that include units proposed to serve high-cost Medicaid users will be asked to provide additional information about the project and population served. As a condition of making a SHOP award, HCR reserves the right to require that a portion of the units in a project serve high-cost Medicaid users.

<table>
<thead>
<tr>
<th>FY 2017-18 Anticipated Amount Available</th>
<th>Approximately $35 million (subject to appropriation).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Project Maximum Award</td>
<td>N/A</td>
</tr>
<tr>
<td>Per Residential Unit Maximum Award</td>
<td>New York City, Westchester County and Long Island: Up to $150,000 per supportive housing unit and up to $110,000 per other housing unit up to 60% AMI in integrated supportive housing projects. Rest of State: Up to $85,000 per supportive housing unit and up to $60,000 per other housing unit up to 60% AMI in integrated supportive housing projects. Projects securing resources from HHAP, HPD or other agencies for supportive housing units are not expected to request the maximum per supportive unit awards under this program. The maximum per supportive unit awards are expected for projects unable to secure leveraged resources and/or for projects where prevailing wages are required.</td>
</tr>
<tr>
<td>Interest Rate and Loan Terms</td>
<td>0% construction financing; 1% permanent financing for LIHC/SLIHC projects, budgeted above-the-line, and payable in any year the project has income remaining after the payment of all operating expenses, required reserve contributions, and superior lien debt service; 0% permanent interest in non-tax credit projects. 30-year loan term.</td>
</tr>
<tr>
<td>Construction and/or Permanent Financing</td>
<td>Construction and permanent financing available.</td>
</tr>
<tr>
<td>Supportive Services and Operating Funding</td>
<td>A service and operating award or plan acceptable to HCR is required for projects seeking these funds, and must be obtained in order to be eligible for this program. HCR anticipates that the operating funding from the services and operating source will at least cover real estate maintenance and operating expenses for the supportive housing units. Applicants should underwrite rents for supportive housing units at an amount affordable to households earning at least 50% AMI, however rents can be increased based on the financial needs of the project. Please note, projects proposing to serve persons with Intellectual/Development Disabilities must include a letter of support from NYS Office of Persons with Developmental Disabilities for a least one-half of the Total Project Costs for the cost of those units.</td>
</tr>
<tr>
<td>Eligible Uses</td>
<td>New construction of, or the adaptive reuse of non-residential property to, affordable housing.</td>
</tr>
<tr>
<td>Priorities</td>
<td>Economic Development Projects, Integrated Supportive Housing Projects, Community Renewal and Revitalization Projects, Housing Opportunity Projects, Workforce Opportunity Projects, Downtown Revitalization Initiative Projects, Disaster Relief Projects, and other State Housing Goals. HCR will give a preference to projects which are comprised of at least 50% supportive housing units. Projects with ESSI Conditional Award Notifications will have priority. HCR expects that approximately 20% of the SHOP awards will be directed to fund projects that serve high-cost Medicaid users. Applicants with projects that include units proposed to serve high-cost Medicaid</td>
</tr>
</tbody>
</table>
users will be asked to provide additional information about the project and population served. As a condition of making a SHOP award, HCR reserves the right to require that a portion of the units in a project serve high-cost Medicaid users.

<table>
<thead>
<tr>
<th>Scoring Criteria</th>
<th>Developer Team Experience and Capability (15), Readiness (20), Financial Feasibility and Efficiency (15), Leverage (15), Regional Economic Development Council Plan (5), Priority Outcomes (15) and Overall Outcomes (15).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area Median Income (AMI) Restrictions</td>
<td>At least 50% of the units in the project must be affordable to households earning no more than 60% of AMI.</td>
</tr>
</tbody>
</table>
| Target Populations | The eligible target populations to be served under this program are families, individuals and/or young adults who are both homeless and who are identified as having an unmet housing need as determined by the Continuum of Care or local planning entity or through other supplemental local, state and federal data, and have one or more disabling conditions or other life challenges, including:  
- Serious mental illness (SMI);  
- Substance use disorder;  
- Individuals diagnosed with HIV;  
- Victims/Survivors of domestic violence;  
- Military service with disabilities (including veterans with other than honorable discharge);  
- Chronic homelessness (including families, and individuals experiencing street homelessness or long-term shelter stays);  
- Youth/young adults who left foster care within the prior five years and who were in foster care at or over age 16;  
- Homeless young adults between 18 and 25 years old;  
- Adults, youth or young adults reentering the community from incarceration or juvenile justice placement, particularly those with disabling conditions;  
- Frail or disabled seniors;  
- Individuals with Intellectual/Development Disabilities; and,  
- Individuals who are MRT high cost Medicaid populations.  

Definition of Homeless: In order to be considered homeless for the purposes of this RFP, an individual must meet one of the following criteria:  
1. an un-domiciled person (whether alone or as a member of a family) who is unable to secure permanent and stable housing without special assistance. This includes those who are inappropriately housed in an institutional facility and can safely live in the community and those who are at risk of homelessness,  
2. a youth or young adult who left foster care within the prior five years and who was in foster care at or over age 16, and who is without permanent and stable housing,  
3. an adult or young adult reentering the community from incarceration or juvenile justice placement, who was released or discharged, and who is without permanent and stable housing, or
(4) a young adult between the ages of 18 and 25 years of age without a permanent residence, including those aging out of a residential school for individuals with an intellectual or developmental disability.

Please note, projects proposing to serve persons with Intellectual/Development Disabilities must include a letter of support from NYS Office of Persons with Developmental Disabilities for at least one-half of the Total Project Costs for the cost of those units.

For projects proposing to serve MRT high cost Medicaid populations, service providers will work with the New York State Department of Health (DOH), or another designated agency, to prioritize high-need, high-cost Medicaid participants on potential tenant lists prior to placement. All awarded MRT projects will be subject to ongoing data reporting submissions to DOH.

| Eligible Applicants | Not-for-profit corporations or charitable organizations, or a wholly owned subsidiary of such corporations or organizations, or private for-profit developers. 80% of SHOP funding through FY 2020 will be prioritized for developments that will be controlled by not-for-profit organizations. The following arrangements are acceptable demonstrations of not-for-profit control:  
• 100% not-for-profit development: projects where the sponsor(s)/developer(s) are not-for-profits. The project will be developed and owned by a not-for-profit or a partnership of not-for-profits during construction and after conversion to permanent financing;
• turn-key development projects where a not-for-profit partners in a fee development structure with a for-profit partner and the ownership of the project is turned over to the not-for-profit provider after construction completion;
• joint ventures with majority not-for-profit control: partnerships between not-for-profit and for-profit entities where the majority ownership is by the not-for-profit (at least 51% ownership by the not-for-profit of the controlling entity of the property owner). Such partnerships ensure that the not-for-profit has day-to-day and long-term management control over the properties. |

| Regulatory Agreement Requirements | Minimum 40-year regulatory agreement. The regulatory agreement will require that the number of units designated as supportive housing will remain as such for at least 40 years. |

| Reserve Requirements | Stand-alone SHOP projects and all SHOP using LIHC/SLIHC: use LIHC/SLIHC term sheet reserve requirements for LIHC/SLIHC stand-alone projects.  
SHOP with HTF & no LIHC/SLIHC: use HTF stand-alone reserve requirements.  
SHOP with MIHP: use HTF with LIHC/SLIHC reserve requirements. |
<table>
<thead>
<tr>
<th>Additional Eligibility Criteria</th>
<th>Evidence of a service and operating award and a supportive services plan acceptable to HCR is required to be eligible for this program. Total supportive housing units must constitute at least thirty (30%) percent of the total units in the project. Developments must provide an integrated housing environment for the proposed residents. Applicants are encouraged to maximize the number of supportive housing units in their developments taking the neighborhood context into consideration.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographic Targeting</td>
<td>Awards will promote the furtherance of the Empire State Supportive Housing Initiative.</td>
</tr>
<tr>
<td>Environmental Review</td>
<td>All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act including a current Phase I Environmental Site Assessment and a “no Impact” determination from the State Historic Preservation Office.</td>
</tr>
<tr>
<td>Design Guidelines</td>
<td>Must meet the same design requirements applied to LIHC projects. Please note, Design Handbook square footage and common space maximums continue to apply.</td>
</tr>
<tr>
<td>Marketing Plan Requirements</td>
<td>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</td>
</tr>
<tr>
<td>NYS MWBE</td>
<td>Yes</td>
</tr>
<tr>
<td>Deadline</td>
<td>Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESHI Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.</td>
</tr>
<tr>
<td>Additional Eligibility Criteria</td>
<td>MRT Project Questionnaire (Attachment E2) must be submitted if serving MRT eligible populations.</td>
</tr>
</tbody>
</table>
Middle Income Housing Program

Middle Income Housing Program (MIHP): MIHP provides financing assistance for acquisition, capital costs and related soft costs associated with the new construction of or the adaptive reuse of non-residential property to affordable middle income housing units as part of HCR’s ongoing efforts to create greater income diversity in affordable housing while also providing affordable housing options for middle income New Yorkers in certain high cost rental markets, or as part of a concerted neighborhood-specific revitalization effort.

MIHP offers gap financing to developments which include units that will be occupied by households earning above 60% of AMI, up to 130% of AMI. MIHP must be requested in combination with 9% LIHC and must meet the standard LIHC set-aside requirements; that is, 20% of the units affordable to households with incomes at 50% or less of AMI or 40% of the units affordable to households with incomes at 60% or less of AMI. It is expected that projects with higher rent levels serving higher income households will be able to leverage conventional debt and therefore request less subsidy per unit.

All projects will be subject to a minimum regulatory period equal to the 9% LIHC regulatory term. Rental properties located within New York City or in municipalities subject to the Emergency Tenant Protection Act of 1974 (ETPA) shall be required to register such units with the HCR’s Office of Rent Administration and to comply with, respectively, the rent stabilization laws or ETPA. MIHP awarded projects will be subject to ongoing performance and contract compliance requirements.

Requests for MIHP will be subject to a subsidy layering review and cash flow limits consistent with those applicable to applications requesting other HCR program sources.

HCR retains a preference for projects seeking MIHP applications that leverage significant amounts of capital support from non-HCR sources and that will provide high quality, construction ready projects that advance one or more of the specific housing goals of the State and the MIHP program. The extent to which a project leverages public and private investment is also one of the criteria used in evaluating applications for MIHP funding.

<p>| FY 2017-18 Anticipated Amount Available | Approximately $16 million (subject to appropriation). |
| Per Project Maximum Award | N/A |
| Per Residential Unit Maximum Award | Up to $200,000 per housing unit serving households between 60% of AMI and up to 130% of AMI. In areas with market conditions that can support conventional financing or when MIHP is |</p>
<table>
<thead>
<tr>
<th><strong>Multifamily Programs Unified Funding</strong></th>
<th>August 18, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest Rate and Loan Terms</strong></td>
<td>0% construction financing; 1% permanent financing for LIHC/SLIHC projects, budgeted above-the-line, and payable in any year the project has income remaining after the payment of all operating expenses, required reserve contributions, and superior lien debt service. Minimum 50-year loan term.</td>
</tr>
<tr>
<td><strong>Construction and/or Permanent Financing</strong></td>
<td>Construction financing and permanent financing are available.</td>
</tr>
<tr>
<td><strong>Eligible Uses</strong></td>
<td>Acquisition, hard costs and related soft costs associated with the new construction of or the adaptive reuse of non-residential property to affordable middle income housing. MIHP may not be used in projects: 1) intended for, and solely occupied by persons 62 years of age or older; or 2) intended and operated for occupancy by persons 55 years of age or older.</td>
</tr>
<tr>
<td><strong>Priorities</strong></td>
<td>Projects that advance State Housing Goals: projects with at least 25% of the residential units affordable to households with income above 90% of AMI up to 130% of AMI adjusted for family size in HUD Designated QCTs or transitional neighborhoods; projects in which at least 50% of the dwelling units contain two or more bedrooms; and projects that propose a project resulting in the cleanup and redevelopment of property that has been determined to be eligible to participate in the New York State Brownfield Cleanup Program (BCP). In order to be eligible for this priority, applications must propose a plan of finance that fully utilizes all BCP tax credits generated from the cleanup and redevelopment of the property.</td>
</tr>
<tr>
<td><strong>Scoring Criteria</strong></td>
<td>Developer team and experience and capability (20), Readiness (30), Efficiency (20), Leverage (20) and Families Served (10).</td>
</tr>
<tr>
<td><strong>Area Median Income (AMI) Restrictions</strong></td>
<td>Up to 130% AMI. At least 10%, but not more than 30% of units must be for households above 60% AMI. Projects must meet the standard LIHC low income set-aside requirements. For MIHP projects located in a HUD Designated QCTs or transitional neighborhood, HCR will allow up to a 20% rent advantage for middle income tenants. For example, if a MIHP unit’s rent is set at a 94% AMI affordability level, it may be rented to households up to 114% of AMI.</td>
</tr>
<tr>
<td><strong>Eligible Applicants</strong></td>
<td>Not-for-profit corporations or charitable organizations or a wholly-owned subsidiary of such corporations or organizations, or private for-profit developers.</td>
</tr>
</tbody>
</table>

Combined with other available financing sources, lower per unit MIHP subsidies will be expected. Applications will be carefully reviewed to ensure that MIHP units are not over-subsidized.
<table>
<thead>
<tr>
<th>Regulatory Agreement Requirements</th>
<th>Minimum of 50 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Requirements</td>
<td>Use HTF with LIHC/SLIHC reserve requirements.</td>
</tr>
<tr>
<td>Geographic Targeting</td>
<td>Awards will promote a statewide geographic distribution of this financing.</td>
</tr>
<tr>
<td>Environmental Review</td>
<td>All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act including a Phase I Environmental Assessment and a “No Impact” determination from the State Historic Preservation Office.</td>
</tr>
<tr>
<td>Design Guidelines</td>
<td>Must meet the same design requirements applied to LIHC projects. Please note, Design Handbook square footage and common space maximums continue to apply.</td>
</tr>
<tr>
<td>Marketing Plan Requirements</td>
<td>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</td>
</tr>
<tr>
<td>NYS MWBE Requirements</td>
<td>Yes</td>
</tr>
<tr>
<td>Deadline</td>
<td>Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESHHI Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.</td>
</tr>
</tbody>
</table>
PUBLIC HOUSING PRESERVATION PROGRAM (PHP): PHP is a partnership among HCR, HUD, Federal Public Housing Authorities (PHAs) outside New York City, and private for profit and non-profit developers to address the needs of these properties and assist PHAs in completing their plans to ensure the long-term sustainability of existing public housing units. HCR will coordinate with PHAs and HUD to develop and implement a five-year strategy to preserve public housing units, address their need for capital improvements, and ensure their continued affordability. For the first time ever a capital program will be established to work with HUD’s Rental Assistance Program (RAD1) for public housing properties to allow public housing to be preserved. PHAs not participating in RAD1 may also be eligible for funding.

PHP provides capital for site acquisition, hard costs and related soft costs associated with the preservation or demolition and replacement through new construction of public housing outside the City of New York. In general, HCR will seek to assist in the preservation of public housing through its tax-exempt bond and 4% LIHC programs. As such, applicants must demonstrate that the proposed project cannot be financed using tax-exempt bonds and 4% LIHC under HCR’s current Multifamily Open Window Request for Proposals. Applicants must also demonstrate that necessary operational economies have been implemented or will be implemented as part of the project’s plan of finance.

PHP funds cannot be combined with HTF/HOME, SHOP or MIHP. PHP projects that are not participating in the RAD1 Program can request Project Based Vouchers through the HCR Housing Choice Project Based Voucher Program Initiative provided the project can clearly demonstrate a need based upon cash flow.

<table>
<thead>
<tr>
<th>FY 2017-18 Anticipated Amount Available</th>
<th>Approximately $10 million (subject to appropriation).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Project Maximum Award</td>
<td>Up to $2.4 million.</td>
</tr>
<tr>
<td>Per Residential Unit Maximum Award</td>
<td>Up to $50,000 per housing unit with a household income up to 60% of AMI.</td>
</tr>
<tr>
<td>Interest Rate and Loan Terms</td>
<td>0% construction financing; 1% permanent financing for LIHC/SLIHC projects, budgeted above-the-line, and payable in any year the project has income remaining after the payment of all operating expenses, required reserve contributions, and superior lien debt service; 0% permanent interest in non-tax credit projects. 30-year loan term.</td>
</tr>
<tr>
<td>Construction and/or Permanent Financing</td>
<td>Construction financing and permanent financing are available.</td>
</tr>
<tr>
<td><strong>Eligible Uses</strong></td>
<td>Substantial or moderate rehabilitation and/or the demolition and replacement through new construction of site-specific multi-family rental housing currently owned by Federal PHAs.</td>
</tr>
<tr>
<td>-------------------</td>
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</tr>
<tr>
<td><strong>Priorities</strong></td>
<td>Properties currently supervised or otherwise regulated by HCR. Properties approved for RAD1 by HUD.</td>
</tr>
<tr>
<td><strong>Scoring Criteria</strong></td>
<td>Community Impact/Revitalization (15), Financial Leveraging (10), Sponsor Characteristics (10), Green Building (5), Fully Accessible and Adapted, Move-In Ready Units (5), Affordability (10), Individuals with Children (5), Marketing Plan/Public Assistance (5), Project Readiness (10), Persons with Special Needs (5), Participation of Non-Profit Organizations (4), Mixed Income (3), Historic Nature of Project (3), Cost Effectiveness (5), Housing Opportunity Projects (3) and Minority and Women Owned Business Enterprise Participation (2).</td>
</tr>
<tr>
<td><strong>Area Median Income (AMI) Restrictions</strong></td>
<td>Up to 90% AMI outside New York City; up to 80% AMI in New York City.</td>
</tr>
<tr>
<td><strong>Eligible Applicants</strong></td>
<td>Municipalities, counties, municipal housing authorities, not-for-profit corporations, charitable organizations, wholly-owned subsidiaries of not-for-profit corporations or charitable organizations, partnerships, certain private developers, and HDFCs.</td>
</tr>
<tr>
<td><strong>Regulatory Agreement Requirements</strong></td>
<td>30 years</td>
</tr>
<tr>
<td><strong>Reserve Requirements</strong></td>
<td>Stand-alone PHP: use HTF stand-alone reserve requirements. PHP with LIHC/SLIHC: use HTF with LIHC/SLIHC reserve requirements.</td>
</tr>
<tr>
<td><strong>Geographic Targeting</strong></td>
<td>Awards will promote a statewide geographic distribution of this financing.</td>
</tr>
<tr>
<td><strong>Environmental Review</strong></td>
<td>All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act including a Phase I Environmental Assessment and a “No Impact” determination from the State Historic Preservation Office.</td>
</tr>
<tr>
<td><strong>Design Guidelines</strong></td>
<td>Must meet the same design requirements applied to LIHC projects. Please note, Design Handbook square footage and common space maximums continue to apply.</td>
</tr>
<tr>
<td><strong>Marketing Plan Requirements</strong></td>
<td>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</td>
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<td>-------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>NYS MWBE Requirements</strong></td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Deadline</strong></td>
<td>Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESSHJ Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.</td>
</tr>
</tbody>
</table>
Multifamily Preservation Program

MULTIFAMILY PRESERVATION PROGRAM (MPP): MPP provides financing for the hard and soft costs associated with the preservation and improvement of rental properties located throughout New York State. Financing is only available for substantial rehabilitation or moderate rehabilitation of site-specific, multi-family rental housing currently regulated by the New York State Division of Housing and Community Renewal or the New York State Housing Trust Fund Corporation which have significant unmet physical needs which cannot be addressed solely through the use of existing project reserves and for which the mismanagement of the property is not a significant contributing factor. Applicants must propose a scope of work extending the expected useful life of the project by no less than 20 years, and which satisfies heightened energy efficiency standards specified in this RFP. Successful applications must demonstrate that at least 90 percent of proposed total development costs (excluding debt rolled over as part of the preservation financing) will be directly related to physical improvements that will extend the useful life and improve the habitability and energy efficiency of the project.

MPP cannot be requested in conjunction with any of the other tax credit or subsidy financing made available through this RFP. However, MPP projects can request Project Based Vouchers through the HCR Housing Choice Project Based Voucher Program Initiative provided the project can demonstrate a need to increase cash flow to support project operating costs and required reserve contributions.

Because these projects are already in HCR’s affordable housing portfolio, MPP eligible projects will be able to submit a streamlined application with fewer application attachments. Also, MPP applications should follow the guidelines for simplified market studies found in Section V. Additional Guidance for UF 2017 Round, 2. Underwriting Reminders, aii and iii. For MPP projects for which there is either no or a de minimis acquisition cost or if the acquisition represents the rollover of existing debt, an appraisal is not required. However, if MPP is requested in combination with Section 8 Project Based Vouchers, the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act requirements for an appraisal will still apply. See the UF 2017 application instructions for more information.

<table>
<thead>
<tr>
<th>FY 2017-18 Anticipated Amount Available</th>
<th>Approximately $15 million (subject to appropriation).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Project Maximum Award</td>
<td>Up to $2 million.</td>
</tr>
<tr>
<td>Per Residential Unit Maximum Award</td>
<td>Up to $50,000 per housing unit up to 60% of AMI. Tenants over 60% of AMI at the time of funding will be grandfathered in.</td>
</tr>
<tr>
<td>Interest Rate and Loan Terms</td>
<td>0% construction financing; 0% - 1% for projects able to support debt service. 30-year loan term.</td>
</tr>
<tr>
<td><strong>Construction and/or Permanent Financing</strong></td>
<td>Construction financing and permanent financing are available.</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Eligible Uses</strong></td>
<td>Hard or soft costs related to the substantial or moderate rehabilitation of site-specific multi-family rental housing currently regulated by the New York State Division of Housing and Community Renewal and/or the New York State Housing Trust Fund Corporation.</td>
</tr>
<tr>
<td><strong>Priorities</strong></td>
<td>The rehabilitation of projects placed in service at least 25 years ago as of the date of application.</td>
</tr>
<tr>
<td><strong>Scoring Criteria</strong></td>
<td>Organization Capacity/Experience/Past Performance (25), Rehabilitation Investment as Percentage of Total Project Costs (20), Leveraging (10), Readiness and Implementation (20), and Rehabilitation Needs (25).</td>
</tr>
<tr>
<td><strong>Area Median Income (AMI) Restrictions</strong></td>
<td>Up to 90% AMI outside of New York City and up to 80% AMI in New York City, subject to existing regulatory requirement.</td>
</tr>
<tr>
<td><strong>Eligible Applicants</strong></td>
<td>Owners of site specific, multi-family rental housing currently regulated by the New York State Division of Housing and Community Renewal and/or the New York State Housing Trust Fund Corporation which have significant unmet physical needs which cannot be addressed solely through through the use of existing project reserves and for which the mismanagement of the property is not a significant contributing factor. Projects proposed for rehabilitation must have been in service at least 20 years as of the date of application.</td>
</tr>
<tr>
<td><strong>Regulatory Agreement Requirements</strong></td>
<td>30 years</td>
</tr>
<tr>
<td><strong>Reserve Requirements</strong></td>
<td>No capitalization of any reserves required or allowed. Annual contributions to operating and replacement reserves should be budgeted consistent with the terms of the existing HCR regulatory agreement; HCR may change the reserve contributions if it determines that it is necessary for the long-term sustainability of the project.</td>
</tr>
<tr>
<td><strong>Geographic Targeting</strong></td>
<td>Awards will promote a statewide geographic distribution of this financing.</td>
</tr>
<tr>
<td><strong>Environmental Review</strong></td>
<td>All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act including a Phase I Environmental Assessment</td>
</tr>
</tbody>
</table>
and a “No Impact” determination from the State Historic Preservation Office.

<table>
<thead>
<tr>
<th><strong>Design Guidelines</strong></th>
<th>Must meet the same design requirements applied to LIHC projects. Please note, Design Handbook square footage and common space maximums continue to apply.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marketing Plan Requirements</strong></td>
<td>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</td>
</tr>
<tr>
<td><strong>NYS MWBE Requirements</strong></td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Deadline</strong></td>
<td>Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESSHl Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.</td>
</tr>
</tbody>
</table>
**Homes for Working Families**

**Homes for Working Families (HWF):** The Homes for Working Families Program provides gap financing through low-interest loans for capital costs and related acquisition and soft costs associated with the new construction of affordable housing financed using New York City Department of Housing, Preservation, and Development resources and New York City Housing Development Corporation tax-exempt bond financing and 4% Low Income Housing Credits.

HWF cannot be requested in conjunction with any of the other tax credit or subsidy financing made available through this RFP nor can HCR Section 8 Project Based Vouchers be provided.

<p>| FY 2017-18 Anticipated Amount Available | Up to $4 million (subject to appropriation). |
| Per Project Maximum Award | Up to $2.0 million. |
| Per Residential Unit Maximum Award | Up to $25,000 per housing unit with a household income up to 60% AMI. |
| Interest Rate and Loan Terms | 0% construction financing; 1% permanent financing budgeted above-the-line, and payable in any year the project has income remaining after the payment of all operating expenses, required reserve contributions, and superior lien debt service; 30-year loan term. |
| Construction and/or Permanent Financing | Construction financing and permanent financing are available. |
| Eligible Uses | New construction of site-specific multi-family affordable rental housing. |
| Priorities | Projects must demonstrate readiness to proceed to a construction financing closing by 6/30/18. |
| Scoring Criteria | Community Impact/Revitalization (15), Financial Leveraging (25), Affordability (20), Project Readiness (25), Persons with Special Needs (5), Mixed Income (5), and Housing Opportunity Projects (5). |
| Area Median Income (AMI) Restrictions | Up to 60% AMI in NYC |</p>
<table>
<thead>
<tr>
<th>Eligible Applicants</th>
<th>Not-for-profit corporations, charitable organizations, wholly-owned subsidiaries of not-for-profit corporations or charitable organizations, partnerships, certain private for-profit developers, and HDFCs that have a funding commitment from the New York City Department of Housing Preservation and Development.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory Agreement Requirements</td>
<td>30 years (pursuant to statute)</td>
</tr>
<tr>
<td>Reserve Requirements</td>
<td>HCR will defer to the bond issuer’s reserve requirements.</td>
</tr>
<tr>
<td>Geographic Targeting</td>
<td>Projects must be located in the City of New York</td>
</tr>
<tr>
<td>Environmental Review</td>
<td>All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act including a Phase I Environmental Assessment and a “No Impact” determination from the State Historic Preservation Office.</td>
</tr>
<tr>
<td>Design Guidelines</td>
<td>Must satisfy HPD and HDC design requirements.</td>
</tr>
<tr>
<td>Marketing Plan Requirements</td>
<td>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</td>
</tr>
<tr>
<td>NYS MWBE Requirements</td>
<td>Yes</td>
</tr>
<tr>
<td>Deadline</td>
<td>Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round ESSHI Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.</td>
</tr>
</tbody>
</table>

**Rural and Urban Community Investment Fund (CIF)**

*Rural and Urban Community Investment Fund (CIF)*: CIF supports retail, commercial or community facility components of mixed-use affordable housing development in urban and rural
communities statewide, as well as supporting preservation of existing affordable multi-family rental housing in rural areas of the State.

Applicants may seek CIF funds for either the new construction or rehabilitation of retail, commercial, or community service facility space that is or will be part of, or which is in close proximity to, and clearly serves the needs of tenants residing in Affordable Residential Development financed by an HCR agency. CIF funds may also be used for the preservation of multifamily affordable rental housing in rural areas of the State that may or may not have a retail, commercial or community facility space.

CIF may also be used for the preservation of existing HCR-regulated affordable housing in urban and rural areas that has been identified by HCR as having physical needs that must be addressed. CIF may also be used to finance the adaptive reuse and/or rehabilitation of currently unregulated housing as part of mixed-use projects in rural village centers or mixed-use new construction, adaptive reuse and/or rehabilitation projects that are part of a Downtown Revitalization Initiative approved strategic investment plan.

Actual award amounts will be based on the demonstrated need for such funding by HCR underwriting standards and must be recommended by HCR staff and approved by the HTFC as applicable. Applicants are strongly encouraged to apply for only the funding necessary for the financial feasibility of the project and to leverage funding from non-HCR sources. Under this RFP, CIF funds must be requested in combination with one of the UF Programs listed at the top of this RFP. The single exception to this rule is for 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 through the Multifamily Open Window Request for Proposals.**

<table>
<thead>
<tr>
<th>FY 2017-18 Anticipated Amount Available</th>
<th>Up to $44.9 million (subject to appropriation).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Project Maximum Award</td>
<td>Up to $2.0 million per project/$40,000 per unit for projects that satisfy the conditions for Early Award Rural Preservation Project.</td>
</tr>
<tr>
<td></td>
<td>The lesser of $2,000,000 for non-residential uses, or the amount needed to ensure that project income will be sufficient to support the cost of financing and operating the space of the non-residential portion of the project.</td>
</tr>
<tr>
<td></td>
<td>$2,000,000 for preservation of HCR-regulated affordable housing and residential rural affordable housing preservation (may request CIF and Section 8 PBVs only).</td>
</tr>
<tr>
<td><strong>Multifamily Programs Unified Funding</strong></td>
<td><strong>August 18, 2017</strong></td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td><strong>$3,000,000</strong> for the adaptive reuse of non-residential structures and/or rehabilitation of currently unregulated housing as part of 8 to 20 residential unit mixed-use projects in rural village centers (may request CIF only).<strong>$3,000,000 for mixed-use projects that clearly advance a Downtown Revitalization Initiative approved strategic investment plan.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Per Residential Unit Maximum Award</strong></td>
<td>Up to $40,000 per housing unit with a household income limit of up to 60% AMI for residential affordable housing preservation.</td>
</tr>
<tr>
<td></td>
<td>Up to $150,000 per affordable housing unit for the adaptive reuse of nonresidential structures and/or rehabilitation of currently unregulated housing as part of 8 to 20 housing unit mixed-use projects in rural village centers.</td>
</tr>
<tr>
<td></td>
<td>Up to $150,000 per affordable housing unit for mixed-use projects that clearly advance a Downtown Revitalization Initiative approved strategic investment plan.</td>
</tr>
<tr>
<td><strong>Interest Rate and Loan Terms</strong></td>
<td>1% interest only for permanent loans payable from available cash flow. Minimum 10-year term or co-terminus with any HCR funding term. HCR may consider other loan repayment terms based on the particular financing circumstances and market conditions related to individual applications for assistance.</td>
</tr>
<tr>
<td><strong>Construction and/or Permanent Financing</strong></td>
<td>CIF is generally only available for permanent financing only. HCR may consider requests to use CIF funds as a source of construction financing if an applicant demonstrates to the satisfaction of the agency that alternative sources of financing are unavailable.</td>
</tr>
<tr>
<td><strong>Eligible Uses</strong></td>
<td>Hard and related soft costs of retail, commercial, or community facility components associated with mixed-use affordable housing developments in urban and rural communities. In general, costs of furniture and furnishings are not eligible for CIF funding.</td>
</tr>
<tr>
<td></td>
<td>Hard and soft costs related to the adaptive reuse of non-residential structures and/or rehabilitation of currently unregulated housing as part of mixed-use projects in rural village centers.</td>
</tr>
<tr>
<td></td>
<td>Hard and soft costs of mixed-use new construction, adaptive reuse and/or rehabilitation projects that clearly advance a Downtown Revitalization Initiative approved strategic investment plan.</td>
</tr>
<tr>
<td></td>
<td>Hard and soft costs of substantial rehabilitation or moderate rehabilitation of site specific multi-family rental housing in rural areas.</td>
</tr>
</tbody>
</table>
Hard and soft costs of substantial rehabilitation or moderate rehabilitation of site specific multi-family affordable housing identified by HCR as having significant unaddressed physical needs for which existing reserves are insufficient and for which the mismanagement of the property is not a significant contributing factor.

Financing is only available for site-specific multi-family rental housing that will have first mortgages financed by tax-exempt or taxable bonds issued by HFA, or as a "stand alone" resource for projects without LIHC or bonds.

Construction financing available when CIF funds are awarded in conjunction with HFA bonds prior to construction closing. For CIF funding requested in conjunction with a project previously awarded funding through the Unified RFP, or as a standalone source of funding from HCR, HCR may consider requests to use CIF funds as a source of construction financing if an applicant demonstrates to the satisfaction of the agency that alternative sources of financing are unavailable. Otherwise, permanent financing only.

See below for additional Underwriting Considerations.

<table>
<thead>
<tr>
<th>Priorities</th>
<th>See CIF Funding Priorities below.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scoring Criteria</td>
<td>For retail, commercial or community facilities ratings based on: Community Impact/Revitalization (20), Financial Leveraging (15), Organization Capacity/Experience/Past Performance (20), Consistency with Activity Priorities (20) and Readiness and Implementation (25). For new housing, adaptive reuse and rehabilitation projects ratings based on: Affordable Housing Need (20), Community Impact/Revitalization (20), Organization Capacity/Experience/Past Performance (10), Consistency with Activity Priorities (20) Financial Leveraging (15), Readiness and Implementation (15). For housing preservation projects ratings based on: Affordable Housing Need (20), Organization Capacity/Experience/Past Performance (20), Rehabilitation Investment as Percentage of Total Project Costs (15), Leveraging (10), Readiness and Implementation (15) and Rehabilitation Needs (20).</td>
</tr>
<tr>
<td>Area Median Income (AMI) Restrictions</td>
<td>Eligible affordable rental projects must include at a minimum, 70% residential units that are rent-restricted and occupied by households whose incomes are at or below 90% of AMI for the county or MSA in which the project is located. For non-residential uses, must be a part of, or in close proximity to, and clearly serve the needs to tenants residing in an Affordable Residential Development in which at least 70% of the units or below 90% of AMI.</td>
</tr>
</tbody>
</table>
### Eligible Applicants
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.

### Regulatory Agreement Requirements
A commercial, retail or community facility space financed with CIF funds will be subject to a regulatory term that is coterminous with any HCR or other Government regulatory agreement on the project’s affordable residential component, or ten years, whichever is greater. Among other requirements that will be addressed in the Regulatory Agreement, a provision will be made requiring HCR approval of proposed non-residential uses of CIF-financed spaces. Successful applicants will be required to enter into a master lease for the non-residential component of the mixed-use project prior to permanent financing closing.

### Additional Eligibility Criteria
Applicants are required to provide a 1/3 match of the requested CIF amount. The CIF match requirements 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 under which an application will be submitted. Applicants are advised to schedule a pre-application technical assistance meeting with HCR staff to discuss potential matching sources.

### Geographic Targeting
60% Urban; 40% Rural. Rural areas shall mean cities, towns and villages having a population of less than 25,000 as determined by the last decennial census. Urban areas shall mean any unit of local government within the State with a population of more than or equal to 25,000 as determined by the last decennial census. Awards will promote a statewide geographic distribution of this financing.

### Environmental Review
All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act including a Phase I Environmental Assessment and a “No Impact” determination from the State Historic Preservation Office.

### Design Guidelines
Residential units financed with CIF are subject to HTFC Design Guidelines. When USDA Rural Development is involved, 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, provided that HTFC Design Handbook requirements, or alternative provisions are acceptable to HCR, are adhered to. The commercial, retail, or community facility portion of the project will be required to comply
with the local building code. All metered utilities must be separate systems between the residential and nonresidential components of the project (e.g. separate electrical systems, separate domestic hot water systems, etc.). Where appropriate, HCR may require the use of lead-safe work practices during renovation, remodeling, painting, and demolition.

<table>
<thead>
<tr>
<th>Marketing Plan Requirements</th>
<th>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</th>
</tr>
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<tbody>
<tr>
<td>NYS MWBE</td>
<td>Yes</td>
</tr>
<tr>
<td>Deadline</td>
<td>Applications accepted until 5:00 PM October 5, 2017 for Early Round Projects. Applications accepted until 5:00 PM November 7, 2017 for Early Round Service and Operating Projects. Applications accepted until 5:00 PM December 5, 2017 for Standard Round Projects.</td>
</tr>
</tbody>
</table>

**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 Early Award Rural 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).

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.

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.

e). Mixed-use projects that clearly advance a Downtown Revitalization Initiative approved strategic investment plan.
f). HCR preservation projects for which at least 90% of the total project costs are directly related to hard costs.

g). the adaptive reuse of non-residential structures and/or rehabilitation of currently unregulated housing as part of 8 to 20 housing unit mixed-use projects that clearly compliment recent and/or current revitalization investments in rural village centers.

CIF Underwriting Considerations

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.

Applicants must be seeking or previously awarded HCR assistance for the project. Applicants are required to provide a 1/3 match of the requested CIF funding amount, which includes but is not limited to cash, developer equity, deferred developer fee, donated property, materials or labor, and other resources as qualified in the applications’ development budget and supported by the funding commitment documentation. This match requirement may be reduced or waived if the project is located in a FEMA or SEMO declared disaster area.

a. Non-Residential 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% 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. Each non-residential component will be underwritten separately and must stand on its own financially.

• Applicants should demonstrate in the operating budget and market documentation that CIF funds will reduce debt service costs such that the 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 must assume an industry standard vacancy rate of 10 percent for the non-residential space.

• Applicants must provide a market analysis or other evidence acceptable to HCR 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 information about the existing market and detail the commercial rents (including per square foot cost) of comparable commercial space in the immediate market area. At the sole discretion of the Agency, HCR may consider other information in assessing market demand for non-residential space.

- Applicants must provide at least one letter of interest or commitment from a prospective tenant for each non-residential space. Additional letters and/or firm commitments from prospective tenants are strongly encouraged. Such letters and/or commitments must identify the amount per square foot such prospective tenant would be willing to pay for the finished space.

- For all mixed-use projects, the owners shall be required to enter into a master lease or establish a condominium for the non-residential component of the project or otherwise ensure to the satisfaction of the agency that sufficient income will be available to cover the base operating costs and debt service of the non-residential space in the event the space is not leased.

- CIF funds may not be used for payment of a developer fee on the non-residential portion of the project with the exception of non-residential space in a 9% LIHC project which qualifies as an IRC Section 42 Community Service Facility. If the applicant is requesting a developer fee on the CSF space, HCR will not allow for the maximum amount of CIF to be awarded to the project. The CIF award will be reduced by the amount of the fee budgeted.

- Successful applicants will be required to submit a cost certification for HCR review and approval of conversion from construction financing to permanent financing.

b. Residential Underwriting Considerations

- CIF funds may only be used only to cover costs related to the rehabilitation of affordable rural housing projects. CIF funds may not be used to support the ongoing operating costs.

- Rural preservation projects that do not rely on federal low income housing tax credits must satisfy all the underwriting criteria that would apply to stand-alone Low Income Housing Trust Fund applications outlined in the HCR Capital Programs Manual. For projects that are co-funded with USDA Rural Development, HCR will consider utilizing underwriting criteria that appropriately address the requirements of both agencies.

- Successful applicants will be required to submit a cost certification for HCR review and approval of conversion from construction financing to permanent financing.
Housing Development Fund Program (HDF)

Housing Development Fund Program (HDF): Housing Development Fund Program loan funds may be available to provide construction financing to eligible not-for-profit applicants who propose to use HOME, HTF, SHOP, CIF, or MIHP Program funds as one of the sources of permanent financing for a UF 2017 project. HDF can only be used on units subsidized by MIHP for the households targeted at or below 90% of AMI outside of New York City and at or below 80% of AMI in New York City. Use of HDF funds during construction can substantially reduce construction period interest. Please note that HDF Program loans require additional approvals from the Office of the State Comptroller and the Division of the Budget which could increase processing times.

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 Program Term Sheets.

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.
B. **Funding Initiatives and Pilot**

1. **Housing Choice Project Based Voucher Program (PBV) Initiative**
   
   As authorized by program regulations at 24 CFR 983, HCR plans to offer approximately 100 units of Project Based Voucher (PBV) assistance for proposed projects financed through the HTF, 9% LIHC, SLIHC, MPP, PHP, CIF, MIHP 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](http://www.ecfr.gov) (Title 24, Part 983).

   Developers interested in being considered for PBV assistance should fully review program regulations prior to making an application in order to ensure that their proposed project is consistent with all terms and provisions of those regulations, including Section 3 and the Uniform Relocation Assistance and Real Property Acquisition Act for occupied rehabilitation projects.

   No demolition or construction may occur between the time of initial application submission and an Agreement to enter into a Housing Assistance Payments (AHAP) contract is signed. Therefore, projects that are already under construction, regardless of funding source and status of site control, cannot qualify for and receive PBV assistance.

   For any project awarded PBVs, a federal environmental review (NEPA Review) performed in accordance with 24 CFR 58 MUST also be completed and approved by HCR prior to any choice-limiting activities conducted regarding the proposed project or project site(s), including entering into an AHAP, or commencing any form of site preparation or construction. Any such choice-limiting activity conducted on the site by any party prior to completion of NEPA by HCR and HCR authorization to begin construction will result in termination of the PBV’s awarded to the project. Applicants must account for the timeframe for completing the NEPA Review in preparing their application’s development timetable.

   Prior to AHAP, a subsidy layering review for projects with any form of federal, state or local housing assistance, including tax credits will be performed by HCR staff. Applicants are advised to carefully examine the latest subsidy layering review guidelines relative to PBV assistance issued by HUD in its notice of September 26, 2014. 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: [https://federalregister.gov/a/2014-22971](https://federalregister.gov/a/2014-22971).

   For applications requesting PBVs, HCR will only allow a developer fee at or below the 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: www.nyshcr.org/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 the HTF, 9% LIHC, SLIHC, MPP, PHP, CIF, MIHP and/or HOME Programs.

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, unless otherwise permitted under the applicable rules and regulations.

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.

All requests under this RFP must be made in combination with requests for capital funding for the new construction of affordable housing; the adaptive reuse of non-residential property into affordable housing; and/or the rehabilitation of vacant property into affordable housing.

PBVs may be used to assist senior, family, or workforce housing and must target households at or below 30% of AMI.

PBVs may also be requested in connection with the rehabilitation of projects currently regulated by HCR (“Preservation projects”). Preservation project applications must clearly demonstrate that PBVs are necessary in order to maintain or restore the long term operational viability of the projects. PBVs for Preservation projects may be used to assist existing tenants at or below 50% of AMI but must first prioritize the use of the PBVs to assist households at or below 30% of AMI. Upon vacancy, all PBV subsidized units must target households at or below 30% of AMI.

Prospective applicants should discuss proposed income targeting for the PBV units with the local administrator to ensure project feasibility. 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 application 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.

The maximum request for PBVs is 25 units or 25% of a project’s total units, whichever is greater. Exceptions to the limit are permitted for units that will house: 1) the elderly (62 years or older); 2) the disabled; or 3) those where one or more members will participate in a program of supportive services generally equivalent to
HUD “Family Self-Sufficiency” programming throughout the term of the PBV Housing Assistance Payments (HAP) contract.

Please note, projects requesting PBV’s must use the applicable PHA Section 8 Utility Allowance. See Section V. Additional Guidance for the UF 2017 Round for more information.

Davis-Bacon wage requirements are applicable to construction or rehabilitation of all projects receiving nine (9) or more PBVs.

2. **9% LIHC Mixed-Income Initiative**
   For applications proposing new construction of family projects (at least 40% of the units must have two bedrooms or more) in New York City and Nassau, Suffolk and Westchester Counties, HCR will allow applicants to exceed the maximum annual 9% LIHC allocation of $22,000 per 9% LIHC-eligible unit, provided that:

   a). the project’s 9% 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 moderate- and middle-income households above 60% of Area Median Income (AMI), up to a maximum of 130% AMI;

   c). the total 9% 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.

All project units will be subject to HCR’s standard cash flow limits as detailed in Section 5 of the CPM as part of the agency’s 9% LIHC gap analysis.

The development team for the project must have a demonstrated track record in successfully developing, marketing, and managing mixed-income 9% LIHC projects.

The units above 60% 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 9% LIHC regulatory agreement, and will have the same regulatory term.

In order to qualify under this Initiative, a project must provide for each unit over 60% of AMI, 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 units above 60% and 48 units affordable below 60% AMI proposes the following rent affordability levels:

<table>
<thead>
<tr>
<th>Rent % AMI Affordability</th>
<th># units</th>
<th>Affordability x # Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>6</td>
<td>180</td>
</tr>
<tr>
<td>40%</td>
<td>18</td>
<td>720</td>
</tr>
<tr>
<td>50%</td>
<td>12</td>
<td>600</td>
</tr>
<tr>
<td>60%</td>
<td>12</td>
<td>720</td>
</tr>
<tr>
<td>100%</td>
<td>2</td>
<td>200</td>
</tr>
<tr>
<td>110%</td>
<td>8</td>
<td>880</td>
</tr>
<tr>
<td>120%</td>
<td>2</td>
<td>240</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>60</strong></td>
<td><strong>3540</strong></td>
</tr>
</tbody>
</table>

Average Project Rent Affordability 59% AMI (3540 ÷ 60)

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

Initial rents on the units over 60% AMI may not exceed 30% of the targeted AMI. All rent levels are calculated as gross rents less a utility allowance.

For projects located within QCTs or transitional neighborhoods, HCR will allow a reduced rent burden to encourage middle- and moderate-income households to reside in these economically challenged neighborhoods. Transitional neighborhoods refer to locations straddling strategic borders between economically vibrant and economically challenged neighborhoods. Units may be rented to households with income levels that are 20% higher than the actual rent affordability, for example, a unit with a rent set at 104% AMI can be rented to households up to 124% AMI.

Applicants interested in participating in this Initiative must schedule a technical assistance meeting with the appropriate HCR staff identified in Section VII of this RFP.

3. Neighborhood Revitalization Cross Subsidy Pilot
   As part of HCR’s ongoing effort to diversify the income levels of households served by affordable housing and affirmatively further fair housing through mixed income developments, HCR will allow LIHC and/or SLIHC equity to cross subsidize middle and moderate income units that contribute to a neighborhood-specific revitalization plan in economically distressed communities.

In order to participate in this pilot, applicants must propose projects located in either (a) HUD Designated QCTs that clearly advance the Mixed-Income/Mixed-Use Revitalization State Housing Goal described in Section III, (B), (1), (d); and/or (b) transitional neighborhoods straddling strategic borders between economically vibrant and economically challenged neighborhoods. To qualify under this priority, applicants must demonstrate that, unaided by capital subsidies, the private sector has been unable to construct
new rental housing for middle income households in these neighborhoods. Eligible projects must target at least 20% of total units to households at or above 80% of AMI up to 130% of AMI.

All project units will be subject to HCR’s standard cash flow limits as detailed in Section 5 of the CPM as part of the Agency’s 9% LIHC gap analysis.

In order to participate in this pilot, the development team for the project must have a demonstrated track record in successfully developing, marketing, and managing similar projects.

Units targeted and marketed to households at or above 80% of AMI 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 9% LIHC regulatory agreement and will have the same regulatory term.

As under the 9% LIHC Mixed-Income Initiative and the Middle Income Housing Program, HCR will allow a reduced rent burden to encourage middle- and moderate-income households to reside in these economically distressed neighborhoods. Units may be rented to households with income levels that are 20% higher than the actual rent affordability, for example, a unit with a rent set at 104% AMI can be rented to households up to 124% AMI.

Applicants interested in participating in this Pilot must schedule a technical assistance meeting with the appropriate HCR staff identified in Section VII of this RFP.

V. Additional Guidance for the UF 2017 Round

A. Underwriting

1. Underwriting Changes

   a. Budget Submission Requirements for projects involving non-HCR financed space

   Applicants must provide development and operating budgets for the entire project, even if portions of the project are not financed by HCR or are to be owned by an entity other than the LP/LLC owner of the residential project. For example, a project proposing non-residential space, unfunded by HCR, and to be owned by a separate owner under a condominium structure, must include a non-residential development and operating budget for that space. HCR must be able to review a viable plan of finance for the entire building/project.
b. Limitation on Developer Fee Paid during Construction
HCR will limit the amount of LIHC/SLIHC developer fee payable during construction to a maximum of 25% of the budgeted developer fee. “During construction” is defined as the period from construction financing closing through conversion to permanent financing. No more than 10% (for-profit developers) or 15% (not-for-profit developers) of the developer fee may be paid prior to the issuance of a Certificate of Occupancy (CO) or Temporary Certificate of Occupancy (TCO) for all project units. Upon issuance of a CO or TCO for all project units, up to 25% of the developer fee may be paid. The remainder of the fee may be paid at the time of permanent financing conversion. Applicants must show 75% of the developer fee deferred as a construction financing source in the development budget. The above limitations will also apply to non-LIHC/SLIHC projects which propose a developer allowance.

c. Minimum Developer Fee Deferral Requirements
For LIHC/SLIHC financed projects, HCR will require projects with cash flow over $35 pu/pm, to defer as a permanent financing source developer fee equal to the aggregate amount of cash flow above $35 pu/pm over the project’s initial 15 years of occupancy. If the required deferral equal to 15-year cash flow over $35 pu/pm exceeds 1/3 of the developer fee, HCR will allow this.

d. Maximum Developer Fee Deferral Allowed
As stated in the CPM, HCR will generally not allow more than 1/3 of the developer fee to be deferred as a source of financing at the time of application. The 1/3 limit is to ensure that there is sufficient developer fee available to cover cost increases during construction. In the case of projects involving significant financing under a housing program of the City of New York, HCR will allow the deferral of more than 1/3 of the developer fee as a permanent financing source, if that is an underwriting requirement of the City agency.

2. Underwriting Reminders
   a. Market Study/Market Analysis Requirements
All applicants must provide a market analysis or a professional market study. Please see Section 5 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: www.nyshcr.org/Funding/UnifiedFundingMaterials/2017/

   i. Market Study/Analysis Requirements for 9% LIHC/SLIHC Projects
All applications for projects requesting 9% 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.
ii. 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, HOME, MPP and/or PHP 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, MPP and/or PHP 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 D5, Occupied Project Information. If the project’s average occupancy for the twelve months prior to application is below 90 percent, a professional market study is required.

iii. 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 D5, Occupied Project Information. If the project occupancy rate is below 90 percent, 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.

iv. 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.

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 Supportive Housing

As a State Housing Goal, HCR strongly encourages the submission of applications that include units to be developed with New York/New York service and operating subsidies. Prior to submission of an application, prospective applicants are advised to schedule joint technical assistance meetings with HCR and the State and/or local agencies responsible for the operating and service funding. The following are agency contacts for prospective applicants interested in NY/NY subsidies. 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, applicants should contact the appropriate State or local agency contact person listed below:

New York State Office of Mental Health (OMH)
Moira Tashjian, MPA, Associate Commissioner, Division of Adult Community Care Group
(518) 486-9357
Moira.tashjian@omh.ny.gov

NYS Office of Alcoholism and Substance Abuse Services (OASAS)
Henri Williams, Bureau Director
(518) 485-0496
Henri.Williams@oasas.ny.gov

NYS Office of Temporary and Disability Assistance (OTDA)
Dana Greenberg, Assistant Director, Bureau of Housing and Support Services
(518) 473-2587
Dana.Greenberg@otda.ny.gov

NYS Homes and Community Renewal
Kathy Karpinski, Supportive Housing Coordinator
(315) 478-7179 x220
Kathleen.Karpinski@nyshcr.org

NYC Human Resources Administration (HRA)
HIV/AIDS Services Administration (HASA)
Paula Sangster-Graham, Director of Contracts
(212) 620-5493
sangstergrahamp@hra.nyc.gov

NYC Department of Health and Mental Hygiene, (DOHMH)
Gail Wolsk, Director, Office of Housing Services
(347) 396-6933
gwolsk@health.nyc.gov
C. **New York State’s 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 has developed a comprehensive Olmstead Implementation Plan that addresses integrated housing, employment, transportation, community services, and other important issues. New York State’s Olmstead Implementation Plan affirms 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.

Any applicant considering submitting an application for a project that would give preference in tenant selection to persons with special needs for more than 60% of a project’s bedrooms are required to schedule a pre-application technical assistance conference with HCR, and the State, federal or local agency that is providing the funding for appropriate services. The purpose of this conference is to explore whether the contemplated project is consistent with the Olmstead decision.

Also, please note that on January 16, 2014, the U.S. Centers for Medicare and Medicaid Services (CMS) published its final rule for Home and Community-Based Services (HCBS) effective March 17, 2014. It is critical that applicants proposing supportive housing for persons with special needs fully understand the requirements of the final rule and all its implications. The full regulation can be found at 42 CFR Part 441.301.

D. **NYS Brownfield Cleanup Program**

In the ten years since it was established, the Brownfield Cleanup Program (BCP) has cleaned up more than 190 contaminated sites and spurred a wide array of redevelopment projects throughout the State. The State FY 2015-16 budget adopted by the Legislature and signed by Governor Cuomo includes sensible reforms to the program to catalyze redevelopment while providing the means to improve the environment and clean up contaminated sites. The reforms introduce measures to ensure the program is fair to the State’s taxpayers by targeting tax incentives in New York City only to certain sites, including sites that will be redeveloped for affordable housing. The BCP tax credits were scheduled to expire on December 31, 2015. Under the new law, sites will have until March 31, 2026 to receive a certificate of completion.
The cleanup and redevelopment of BCP-eligible brownfield sites into affordable housing as part of a mixed income neighborhood specific revitalization effort has been established as a State Housing Goal.

Because of the complexity and potential risks associated with the redevelopment of contaminated sites, HCR recommends that prospective applicants fully evaluate sites and obtain New York State Department of Environmental Conservation approval to participate in the BCP prior to submitting an application under this RFP.

Under current market conditions, HCR also strongly encourages project sponsors to consider syndicating BCP tax credits along with the 9% LIHC/SLIHC in order to efficiently introduce this valuable resource into a project’s plan of finance.

Please note that all BCP tax credit proceeds are deemed to be “associated financing” for the purpose of conducting the 9% LIHC gap analysis and must be included in the declaration of public subsidies (Exhibit 9E) at application submission, at binding/carryover, and in the 8609 submission. In addition, all applicants proposing to utilize BCP tax credits must complete application Attachment D8, Brownfield Redevelopment Tax Credit Worksheet.

E. Fair Housing

Through its programs, HCR seeks to affirmatively further fair housing through various activities, such as developing affordable housing, and removing barriers to the development of such housing, in areas of high opportunity; strategically enhancing access to opportunity, including through: targeted investment in neighborhood revitalization or stabilization; preservation or rehabilitation of existing affordable housing; promoting greater housing choice within or outside of areas of concentrated poverty and greater access to areas of high opportunity.

HCR requires that each multifamily development receiving financing under this RFP financing carry out a marketing strategy to attract prospective renters within the housing market area, regardless of race, color, religion, sex, disability, familial status, national origin, marital status, military status or sexual orientation. In addition to general marketing efforts, each development must engage in an affirmative fair housing marketing program. These affirmative fair housing marketing efforts are meant to target persons identified as least likely to apply and make them aware of available affordable housing opportunities.

All applicants are subject to HCR’s Affirmative Fair Housing Marketing requirements and will be required to provide a marketing plan and report on compliance in accordance with the forms on HCR’s website at www.nyshcr.org/Forms/FairHousing/. The Affirmative Fair Housing Marketing Plan must be in compliance with applicable Fair Housing laws and demonstrate how the applicant will affirmatively further fair housing.
F. **OPWDD Coordination**

In an effort to promote better coordination between the NYS Office for People with Development Disabilities (OPWDD) and HCR, prospective applicants who are planning to propose a preference in tenant selection for individuals with intellectual and/or developmental disabilities must schedule a meeting with HCR and OPWDD’s Division of Person-Centered Supports prior to submission of an application under this RFP. Prospective applicants should contact Patricia Downes, Project Director, OPWDD at (518) 473-3150 and the appropriate HCR staff identified at the end of this RFP to schedule a meeting. Please note, projects proposing to serve persons with Intellectual/Development Disabilities must include a letter of support from NYS Office of Persons with Developmental Disabilities for at least one-half of the Total Project Costs for those units.

G. **Section 3**

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 more than $200,000 for construction or rehabilitation projects and their contractors agree to comply with the provisions set forth at 24 CFR Part 135. Each applicant is required to submit with its application Attachment F19, HUD Section 3, a Section 3 Participation Plan which includes a HUD Section 3 Resident Employment Plan explaining the applicant’s intentions and commitments concerning the hiring of HUD Section 3 residents to perform the work contemplated by this RFP, and information pertaining to the Contractor’s affirmative efforts concerning HUD Section 3 Business participation and its efforts in aspiring to meet the numerical goals specified in 24 CFR 135.30. If the Contractor is a Section 3 Business, it must also submit with its Proposal, a Section 3 Business Certification form. Please note, Section 3 also applies to projects requesting Project Based Vouchers through HCR’s Housing Choice Project Based Voucher Program Initiative.

VI. **Evaluation and Selection Process**

A. **General Review Criteria**

In general, 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. Applications will
be evaluated within the context of other applications submitted for projects within the same geographic region.

Fundamentals consider the basic components of any real estate investment: feasibility, team experience, capital structure, etc. In this RFP, fundamentals 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 proposing quality housing that most cost-efficiently provides the greatest number of units for the longest period of time for the lowest-income New Yorkers, and which address housing needs and articulated State Housing Goals will have the greatest likelihood of being selected.

In addition to the competitive score assigned to an application, HCR will also consider other factors, including, but not limited to, 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, or which are part of a concerted neighborhood-specific revitalization effort. 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 is available here: [www.nyshcr.org/Publications/](http://www.nyshcr.org/Publications/).

In general, for projects intended for and solely occupied by persons 62 years of age or older, or intended and operated for occupancy by persons 55 years of age and older, HCR will take into consideration as part of its funding decisions whether sufficient affordable family or workforce housing is readily available in the community and whether the community has taken actions to address any documented need for affordable family or workforce housing. Applicants proposing
a project for these populations must clearly identify all existing affordable family and workforce housing in the community in application Attachment F9, Proposal Summary.

HCR will give preference in its award decisions to projects outside the New York City region (City of New York and Nassau, Suffolk, and Westchester Counties) that demonstrate a readiness to proceed to construction by September 30, 2018. For projects located in the New York City region, HCR will give preference in its award decisions to projects that demonstrate readiness to proceed to construction by December 31, 2018. For projects located in the City of New York that involve the transfer of City-owned land not awarded pursuant to a competitive process, and for which the Urban Land Use Review Process cannot be initiated until the award of HCR funding, 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 more than $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 (M/WBE) Enterprises are afforded opportunities for meaningful participation in projects funded by HTFC pursuant to Section 313 of the Article. Further, all contractors and awardees must conduct good faith outreach efforts to solicit the participation of NYS-certified Service Disabled Veteran-Owned Businesses (SDVOBs) in HTFC financed projects.

Additional information can be found at: 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 (including the project owner, sponsor, developer and/or housing consultant) on previously-awarded projects, including, but not limited to, projects that were delivered with significant delays, cost increases, changes in project scope from what was presented at the time of application, or other project modifications which would have resulted in a lower competitive
scoring for that project. Failure to meet the deadlines and milestones set forth in a previously issued 9% LIHC reservation letter will adversely impact the competitiveness of applications submitted in UF 2017 or future application rounds. As a condition of application submission and/or award, HCR will require the project developer, project owner, general contractor, architect, management agent and housing consultant to provide written authorization for HCR to conduct credit and financial background and Lexis/Nexis reviews.

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 and disallow costs that are unreasonable and/or excessive.

The QAP provides a 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 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 9% 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. For non-LIHC project applications, the total amount of subsidy that will be made available to High Cost Projects will be limited to no more than 10 percent of that subsidy source awarded during the funding round.

Also, as part of its overall effort to control project costs, HCR will continue to apply HTFC Design Handbook maximum square footage and common space limits to all projects seeking funding as part of UF 2017.

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
   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.

   Only one application can be submitted per project site for each UF round (Early Award and Standard rounds). The withdrawal of any Early Award round application must occur prior to the Early Award round award notification date and only under very specific circumstances, such as a change in site, significant change in financing, or a change in scope (number of units, special populations or income targets). The acceptance of a subsequent Standard round application for the same project site is subject to HCR’s discretion. If an application is not successful in the Early Award round, the same application will be considered under the Standard round parameters with no changes permitted.

   HCR, at its sole discretion, will immediately discontinue processing of any application submitted pursuant to this RFP if the application is determined to be substantially
incomplete. HCR may consider an application to be substantially incomplete if the application does not include acceptable evidence of site control (Attachment A1), market study/market analysis (Attachment C2), outline specifications (Attachment B1), and/or preliminary plans (Attachment B3). Further information on acceptable forms of site control, market studies/market analyses, outline specifications, and preliminary plans are included in the Project Application instructions, Section 5 of the CPM and the HTFC Design Handbook. 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
All applications will be reviewed for program eligibility pursuant to all applicable statutes and regulations, some of which are summarized in the Program Term Sheets.

4. Rating Criteria
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. Recognizing that different Program scoring criteria can result in scores that are not comparable to one another, HCR’s evaluation of applications will only compare projects to other projects scored under the same Program scoring criteria. See the Program Term Sheets for specific program scoring criteria.

5. Design Requirements and Scoring
   a. Mandatory Energy Efficiency Strategies
All projects awarded funding under this RFP 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. Non-residential projects shall incorporate comparable energy efficiency strategies as those required for residential projects to achieve similar energy savings.

Applicants should take note that energy codes are in continuing development and are currently scheduled to be updated shortly after this RFP is published. This 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 that the building permit issued for the project is based on. HCR requires that all projects pursuing solar energy, or any other alternative energy
sources, to incorporate the design, operating cost and development cost assumptions associated with those measures into the project at the time of application.

**New York State Energy Research and Development Authority (NYSERDA) Low-Rise Residential New Construction Program (LRNCP):**

Projects may qualify through participation in the Low-Rise Residential New Construction Program (LRNCP), and committing to meet the relevant version of this program. Projects are encouraged to achieve the highest level of energy efficiency and building performance supported through LRNCP. Please be advised that the level of performance achieved may substantially affect the incentives that can be received from NYSERDA and that any changes in building or energy codes may affect the program version applicable to a project.

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 LRNCP. 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 which affirms 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 LRNCP requirements.

**NYSERDA Multifamily New Construction Program (MF NCP):**

Projects may qualify through participation in the Multifamily New Construction Program (MF NCP), and committing to meet the relevant version of MF NCP. Projects are encouraged to achieve the highest potential level of energy efficiency and building performance supported through MF NCP. Please be advised that the level of performance achieved may substantially affect the incentives that can be received from NYSERDA and any changes in building or energy codes may affect the program version applicable to a project.

The application must include a contract with a NYSERDA approved MF NCP 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 MF NCP partner. Final closeout of the project shall be contingent upon certification from NYSERDA that the project meets the MF NCP requirements.

**U. S Environmental Protection Agency (EPA) ENERGY STAR Certified Homes:**

Projects may qualify utilizing ENERGY STAR Certified Homes Version 3.1 as determined by EPA, based on the current building code in effect at the commencement of the construction of a project. Compliance with the most current version available when a project commences construction is encouraged.

The application is to include a contract with a RESNET certified HERS rater which explains the methodology to be utilized to ensure that the applicable 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 of the applicable standard. Final closeout of the project shall be contingent upon certification from EPA that the project meets the program requirements. As noted above, certification will be contingent upon complying with the EPA base standards as they relate to the building code in effect at the time of construction.

**EPA ENERGY STAR Multifamily High Rise Program:**

Projects may qualify following either the prescriptive path or the performance path to achieve a performance target of 15% over ASHRAE 90.1 2013 with addenda adapted by NYS or NYC, at a minimum. 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 applicable 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 EPA that the project meets the program requirements.

**Enterprise Green Communities Criteria:**

Projects may qualify by participating in Enterprise Green Communities Criteria, 2015, or newer if applicable, based on the construction timeframe. Projects in New York City may utilize the New York City - 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) of this RFP. Choosing this strategy requires full participation in Enterprise Green Communities Criteria, utilizing ENERGY STAR certified Homes Version 3.1, or a performance target of 15% over ASHRAE 90.1 2013 with addenda adapted by NYS or NYC, at a minimum, as applicable for the building type. The applicant must 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 Section VI. F. 5. c) of this RFP. 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 buildings designated as historic by local, state or federal authorities 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 LRNCP, MF NCP, or subsequent programs administered by NYSERDA to achieve the New York Energy Smart or equivalent designation offered by participating in one of 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 for comparable new construction building(s) in effect on the date the building permit will be issued for the project; 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. Proposals for bringing a building to current energy code standards must include a code analysis that is submitted in the application and is prepared by an architect or engineer licensed in the State of New York. Proposals for reducing energy usage by 20% must be demonstrated by either: 1) submitting an energy analysis by an architect or engineer licensed in the State of New York, or RESNET certified HERS Rater, with the application; or 2) by submitting an approved MPP application, or a signed contract with a MPP Multifamily Building Solutions Provider to reduce energy consumption by 20% in accordance with the criteria of the NYSERDA Multifamily Performance Program for existing buildings. The contract must be signed by the applicant and the MPP Multifamily Building Solutions Provider. 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. Projects participating under MPP shall submit final certification from NYSERDA indicating that the project met the objective of reducing energy by 20%.

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

All projects must 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.

*Limiting Lead Exposure:*

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

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

All existing domestic water supply/distribution systems to remain in proposed projects must test negative for lead content in accordance with applicable drinking water regulations and guidelines.

Remove domestic water supply piping and fixtures and replace with lead-free plumbing where tests result in lead content above applicable drinking water regulations and guidelines.
**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 the rehabilitation work, 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. Commercial washing machines may be non-ENERGY STAR rated provided they meet or exceed the energy efficiency, quality, and reduced operational costs associated with ENERGY STAR rated appliances.

**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 Low-rise Residential Construction Program, NYSERDA Multifamily New Construction Program, NYSERDA Multifamily Performance Program for existing buildings, EPA ENERGY STAR Certified Homes, or EPA ENERGY STAR Multifamily High Rise Program, 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 Building Materials:**

Building materials that have the potential to negatively affect indoor air quality such as: 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 (up to 5 points)

Points will be awarded as indicated below under the HTF, HOME, 9% LIHC or SLIHC program(s) to an applicant who documents that their project will meet one of the four standards listed below. Recognizing that Green Building has become a widely accepted industry practice, in order to be awarded points under this scoring category, applicants must also qualify for points under the Cost Effectiveness scoring category. Applicants who choose one of these options 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 (3 points):**

Certification under Enterprise Green Communities Criteria, 2015, or newer. Projects in New York City may utilize the New York City - Enterprise Green Communities overlay. The applicant shall submit the Enterprise Green Communities Prebuild Application submission notification, 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.

**LEED (3 points):**

US Green Building Council (USGBC) LEED Rating System. At a minimum, projects shall comply with the current, or newer, criteria for: LEED version 4 BD+C Homes, or LEED version 4 BD+C Multifamily Midrise. If the housing type proposed is not recognized under, LEED version 4 BD+C Homes, or LEED version 4 BD+C Multifamily Midrise, an equivalent LEED rating system may be substituted upon agreement by HCR. To qualify for points for LEED participation, the applicant shall submit a letter of agreement with a LEED Green Rater to oversee the design and construction as necessary for final certification at the Silver, or higher, level. The letter of agreement must be fully executed by the applicant and the LEED Green Rater. Final closeout of the project shall be contingent upon certification from USGBC.

**National Green Building Standard (3 points):**

ICC/ASHRAE 700 – 2015 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
Silver, or higher 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.

Passive House Institute Certification (5 points):

Projects may qualify in either the Passive House Institute US (PHIUS), or the Passive House Institute (PHI) programs. Certification shall be obtained under PHIUS+ 2015 Passive Building Standard – North America, or newer, based on the construction timeframe, or certified under PHI protocols. The applicant shall submit a form of a receipt from PHIUS or PHI that the project was accepted into their program, or submit a letter of agreement between the applicant and a PHIUS or PHI certified Passive House consultant or designer (CPHC or CPHD) that includes oversight of the design and construction as necessary for pre-certification and final certification. The letter of agreement must be fully executed by the applicant and the CPHC or CPHD, and accompanied with the CPHC’s or CPHD’s certification from the PHIUS or PHI. Final closeout of the project shall be contingent upon confirmation from the certified Passive House consultant or designer that the built condition complies with design intent submitted at the pre-certification application to the applicable Passive House organization.

Additional information may be found at the following websites:

http://www.phius.org/home-page

NYSERDA Comprehensive Option for Multifamily Affordable Buildings (3 or 5 points):

Moderate rehabilitation preservation projects utilizing the Comprehensive Option for Multifamily Affordable Buildings at the second tier level with a projected energy savings target of 30% or greater (3 points). Projects committing to the third tier with a projected energy savings target of 35% or greater (5 points). The applicant shall submit a signed contract with a MPP Multifamily Building Solutions Provider to reduce energy consumption in accordance with the selected criteria. The contract must be signed by the applicant and the Multifamily Building Solutions Provider and shall indicate the work scope items associated with the energy reduction objective. Final closeout of the project shall be contingent upon a final certification from NYSERDA indicating that the project met the energy reduction objective.

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 B10 and supporting documentation in accordance with the instructions written on Attachment B10 and as noted below:

(1) Option one (2 points):
a. at least five percent (rounded up to the next whole number) of the project units are fully Accessible and Adapted, move-in ready for persons with a mobility impairment, meeting the following provisions:
   i. either:
      1. includes a fully-Accessible and Adapted move-in-ready roll-in shower with an attached seat, or;
      2. includes a fully-Accessible and Adapted, move-in-ready bathtub, and is designed to accommodate a roll-in shower with an attached seat which will be installed at the owner's expense upon request.
   ii. the unit(s) will be marketed to households with at least one member who has a mobility impairment.

b. 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, meeting the following provisions:
   i. the unit(s) will be marketed to households with at least one member who has a hearing or vision impairment; and,
   ii. the units are independent of the mobility-impaired units.

c. Accessible units shall be equitably distributed among the various dwelling types in the project based on evidence of market demand, or other regulatory provisions applicable to the project.

(2) Option two (5 points):

a. Comply with option one above with the percentages of units meeting the requirements increased to be equal to or exceed 10 percent and 4 percent (rounded to the next whole number) respectively (a minimum of two units each.)

6. Additional Reviews
Dependent on the Program funding requested, 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 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. Also, please note that consistent with the provisions of the QAP, HCR may award a project funding irrespective of its point ranking, if such an award is in furtherance of the State's Housing Goals including the housing objectives of a Regional Economic Development Council applicable to the area in which the project is located and such award is determined by the HCR Commissioner to be in the interests of the citizens of the State of New York.
Applicants will be informed of the disposition of their application in an Outcome 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. Board Approval
All HTF, HOME, CIF, SHOP, MPP, PHP, HWF and MIHP awards must be approved by the HTFC Board of Directors. HTFC award authorizations will automatically lapse after 360 days if a closing on all sources of construction financing necessary to complete the project has not occurred and will require a reauthorization by the HTFC Board of Directors.

9. Outcome Letters
Subject to the availability of funds, HCR expects to issue Outcome Letters approximately 150 days after the submission deadline for the funding round. There are two 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 9% LIHC/SLIHC Reservation and Funding Commitment Letters, as described below.

10. 9% LIHC/SLIHC Reservation Letters
9% LIHC and/or SLIHC Reservation Letters are sent to successful applicants who requested 9% LIHC and/or SLIHC funding. These letters specify the terms and conditions of the reservation which the project awardee will be required to meet prior to construction financing closing, including the reservation expiration date, and certain
provisions which will be incorporated in the project’s 9% LIHC and/or SLIHC Regulatory Agreement.

Successful applicants whose projects include both 9% LIHC and SLIHC will receive a combined 9% LIHC/SLIHC Reservation Letter.

11. Funding Commitment Letters
Funding Commitment Letters (FCLs) are expected to be issued 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.

12. Project Pre-Development Meeting
The project development team for all awarded projects will be required to participate in a pre-development meeting with HCR staff. The 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 the CPM. Project development meetings will be scheduled to occur within approximately 14 business days of the issuance of an award letter.

13. Processing Timeframes
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 and Technical Assistance

1. 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.
2. **Pre-Application Technical Assistance**

A pre-application technical assistance (TA) session is a mandatory requirement for all Early Award applications. Please note also that any applicant considering a project that would give preference in tenant selection to persons with special needs for more than 60% of a project’s bedrooms are required to schedule a pre-application conference with HCR. Also, prospective applicants who are planning to propose a preference in tenant
selection for individuals with intellectual and/or developmental disabilities must schedule a meeting with HCR and OPWDD’s Division of Person-Centered Supports prior to submission of an application under this RFP. A TA session may also be requested by all other prospective applicants seeking funding under the UF 2017 RFP. A TA session is strongly encouraged for mixed-use projects to review HCR requirements pertaining to the development and operating budgets for the residential and non-residential space in the project. Special instructions regarding Technical Assistance for projects proposing the rehabilitation of occupied buildings are included at the end of this section.

Prospective applicants must request a TA session at least 2 weeks prior to the respective application deadline (See Section II. Application Submission Deadlines & Additional Submission Information. Priority will be given to Early Award applicant TA requests. TA sessions will be scheduled until 1 week prior to the respective application deadline.

To schedule a TA session, all prospective UF applicants must send an email to HCR at unifiedfunding@nyshcr.org, attaching the completed UF pre-application documents cited below. Development teams proposing multiple applications must request a separate TA session for each specific project application. For administrative convenience, HCR will consider applicant requests for TA sessions for multiple projects to be held consecutively, if scheduling permits. Requests for the scheduling of consecutive TA sessions must be accompanied by complete TA packages described below.

- Exhibit 3 - Development Budget with HCR funding programs clearly identified (i.e., HTF/HOME/LIHC/SLIHC/SHOP/MIHP/HWF/CIF/PHP/MPP),
- Exhibit 4 - Rent Plan,
- Exhibit 5 - Operating Budget,
- Attachment F9 - Project Summary,
- Attachment B3 - Preliminary Plans, and
- Attachment B6 - Physical Needs Assessment (for rehab projects requesting 9% LIHC/SLIHC) or Attachment B13 HTFC Physical Needs Assessment/Life Cycle Analysis/Replacement Reserve Cash Flow Analysis (for rehab projects requesting HTFC funding with or without 9% LIHC/SLIHC). See the special instructions at the end of this section for more information.

Excel versions of the above-referenced application exhibits and attachments are available on HCR’s website at the following address: http://www.nyshcr.org/Forms/CapitalProjects/

Application instructions for completing these exhibits and attachments are located at: 2017 Unified Funding Materials

In requesting a TA session, the prospective UF applicant must also include in their email to HCR, the following information: the anticipated project name; the name of
the prospective applicant; the address of the project; the Early Award Goal(s)
advanced by the project including an explanation of how this project would meet the
revised goal(s), if applicable; prior project history, including the SHARS ID of previous
submissions and details on how past application issues have been addressed or how
other substantial changes made are identified in the current submission; description of
potential waiver requests; the names and contact information of the development
teammembers who will be participating in the TA session, including the contact
person for scheduling the TA session; and, any specific issues for which TA is being
requested (so that the appropriate HCR technical units will be prepared to participate
in the TA session).

HCR will schedule a TA session once HCR has received a complete TA package.
Failure to provide the information requested above will delay the scheduling of the
TA session. Under no circumstances will a TA session be scheduled without a
complete TA request package having been received by HCR through the
unifiedfunding@nyshcr.org mailbox. If a TA package is deficient, HCR will notify
the requestor by email to identify the deficiency and request resubmission of a
complete TA package. Once a complete TA request package has been received, HCR
anticipates scheduling a TA session no later than 5 business days from receipt, and
the session to be held soon thereafter. TA sessions will be scheduled in the order
complete packages are received by HCR. Please be advised the later a TA request is
received reduces the likelihood the request can be accommodated.

Please be advised that HCR guidance provided during a TA session is based solely on
the information provided by the development team. Be advised further that questions
asked during the TA may be posted to the UF Q&A on the HCR website.

Special Instructions for Applicants Proposing Rehabilitation of Occupied Buildings

Applicants proposing the rehabilitation of occupied buildings must request a site
visit from HCR’s Architecture and Engineering Bureau to observe the building’s
existing condition, and to discuss proposed renovations PRIOR to submission of
the application. For Early Award applicants proposing the rehabilitation of
occupied buildings, a TA session must be requested no later than September 5,
2017. It is highly recommended that the request be accompanied by submission of
the completed Physical Needs Assessment Form (PNAF); however, the latest date
for PNAF submission for occupied rehab projects for the Early Award round is
September 21, 2017.

For Standard Round applicants proposing the rehabilitation of occupied buildings,
a TA session must be requested 45 days prior to the standard round application
deadline. Requests for such site visits must be received by HCR no later than 30
days prior to the standard round application round submission deadline.
Applicants should coordinate the site visit in conjunction with the request for TA, along with the submission of the PNAF. Please see Section I.A. of this RFP for General Information about additional requirements for applicants proposing the rehabilitation of occupied buildings.

Updated: August 2017

-END OF REQUEST FOR PROPOSALS-