

Multifamily Unified Funding RFP

Record of Revisions October 16, 2018:

Page 32: The MIHP term sheet has been revised as follows:

Area Median Income (AMI) Restrictions: Up to 130% AMI. ~~At least 10%, but not more than 30% of units must be for households above 60% of AMI.~~ Projects must meet standard LIHC low income set-aside requirements. MIHP may not be used to finance senior units serving households above 60% of AMI.

Record of Revisions October 10, 2018:

Page 23: The HTF term sheet has been revised as follows:

HTF may not be used to finance senior units serving households above 60% of AMI. For occupied senior Preservation Projects, HTF may be used to assist existing tenants above 60% of AMI, up to 90% of AMI outside of New York City (up to 80% of AMI in New York City). However, as the occupied units above 60% of AMI become vacant, units must be filled with tenants at or below 60% of AMI.

Page 24: The HTF term sheet (Area Median Income Restrictions) has been revised as follows:

Up to 90% of AMI outside of New York City (up to 80% of AMI in New York City). HTF may not be used to finance senior units serving households above 60% of AMI. For occupied senior Preservation Projects, HTF may be used to assist existing tenants above 60% of AMI, up to 90% of AMI outside of New York City (up to 80% of AMI in New York City). However, as the occupied senior units above 60% of AMI become vacant, units must be filled with tenants at or below 60% of AMI.

Page 37: The CIF term sheet (Area Median Income Restrictions) has been revised as follows:

Up to \$60,000 per housing unit with a household income limit of up to 60% of AMI for residential affordable housing preservation. For occupied senior Preservation Projects, CIF may be used to assist existing tenants above 60% AMI, up to 80% of AMI. However, as the occupied units above 60% of AMI become vacant, units must be filled with tenants at or below 60% of AMI.

Record of Revisions September 14, 2018:

Page 7: The Webinar information has been updated as follows:

A Webinar will be held on September 20th, 2018 at 1:00 PM to provide an overview of the RFP components. This webinar will be recorded and made available on the HCR's website at [2018 Unified Funding Materials](#). Below is the information necessary to access the webinar:

Topic: Multifamily Programs Unified Funding RFP 2018 Webinar

Date and Time:

Thursday, September 20, 2018 1:00 pm, Eastern Daylight Time (New York, GMT-04:00)

Event number: 640 179 822

Event password: September20

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<https://meetny.webex.com/meetny/onstage/g.php?MTID=e8d16e81d2147f7af0c0582bdb3e1cd2c>

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Access code: 640 179 822

If you are having difficulty accessing the Webinar, please call (518) 473-1088.

Page 17: The 9% LIHC Set-Asides have been revised as follows:

HCR expects to set-aside a portion of the available UF 2018 9% LIHC for the following program priorities: Empire State Supportive Initiative Housing (ESSHI) Projects and Supportive Housing Projects (up to \$5 million); Housing Opportunity Projects (up to \$5 million); and, NYCHA Seniors First Projects (up to \$15 million over several years).

Page 19: The NYCHA Seniors First 9% LIHC Set-Aside has been revised as follows:

Projects must be intended for and solely occupied by persons 62 years of age or older. Projects must also be 100% affordable.



Homes and Community Renewal

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
Supportive Housing Opportunity Program
Middle Income Housing Program
Public Housing Preservation Program
Rural and Urban Community Investment Fund
Housing Development Fund
Section 8 Housing Choice Project Based Voucher Program

August 2018

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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 2018-19 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) 2018 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 Supportive Housing Opportunity Program (SHOP), the Middle Income Housing Program (MIHP), and the Public Housing Preservation Program (PHP). Applicants may also apply for funding through the Rural and Urban Community Investment Fund (CIF) and the Housing Development Fund (HDF), as well as through the Section 8 Housing Choice Project Based Voucher Program.

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 rental 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 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 statutorily eligible, including 4% LIHC and tax-exempt bond financing, 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 may also revise this RFP as necessary after issuance.

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, any lending institutions, or any other financing source related to the proposed project. Any identity of interest between applicants, owners, their development teams and such financial institutions and/or financing sources must be disclosed and will be closely scrutinized to ensure the most advantageous market terms available to the project have been achieved. 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 2018 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 may only submit a single plan of financing for proposed projects. Project applications for which multiple financing scenarios are proposed may be deemed ineligible and may not be subject to further review.

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, PHP 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 2018

There are several important changes to the RFP for UF 2018. Below is a list summarizing the most significant changes.

1. Income Averaging

The federal Consolidated Appropriations Act of 2018 created a new LIHC minimum set-aside (in addition to the current occupancy set-asides) providing for Income Averaging in projects to promote tenant income diversity and cross subsidizing units to promote affordability. While the Treasury Department has not yet provided guidance in regard to Income Averaging, such projects must meet the following statutory parameters: a) At least 40% of the project units are both rent-restricted and occupied by individuals who do not exceed the imputed income limitations designated by the project owner; b) The average imputed income limitations designated cannot exceed 60% of area median income; and, c) The designated imputed income limitations must be in 10% increments ranging from 20% to 80% of area median income. Applicants considering Income Averaging are required to participate in a mandatory pre-application technical assistance conference with HCR staff. See Section VII. Regional Office Service Areas and Technical Assistance.

2. SLIHC Bifurcation/Certification

The enacted New York State Fiscal Year 2018-19 budget authorized for the first time the bifurcation and transfer of the State Low-Income Housing Tax Credit (SLIHC) in order to broaden the potential SLIHC investor pool and increase the value of SLIHC for HCR projects. Applicants and investors contemplating the use of this transfer authority should schedule a technical assistance session with HCR.

3. Tax Credit Pricing

For projects utilizing multiple sources of tax credit financing, investor letters must separately quantify the value of each tax credit resource including, but not limited to, all housing, historic and brownfield tax credits. While HCR recognizes tax credit investors consider the blended yield of these investments on a project-wide basis, for both policy and programmatic reasons, including the need to highlight the real value of these resources for tax payers and policymakers, HCR requires that investors and syndicators to assign an independent value to each type of credit reflecting the actual market value of the resource being proposed for purchase.

4. SEQR

Revisions to the regulations that implement the State Environmental Quality Review Act (SEQR) become effective January 1, 2019. Among other changes, there are amendments to the Type I and Type II lists of actions, which may increase or decrease the level of SEQR review of projects than that required in the past. See Section V. Additional Guidance for the UF 2018 Round for more details.

5. Green Building Points for Smoke-Free Housing

In order to qualify for competitive points under any of the four optional Green Building standards, applicants must commit at the time of application to smoke-free housing. See Section VI. Evaluation and Selection Process for further information.

6. Maximum points for family projects in HOP and Revitalization Plan areas

To further strengthen HCR's commitment to providing opportunity for low income families, HCR will now offer maximum competitive points to projects serving families that are located in Housing Opportunity census tracts or that are part of a comprehensive neighborhood specific revitalization effort.

7. Clarification of HCR's Builder's Fee Policy

In order to better align with construction industry practices, the Unified Funding development budget (application Exhibit 3) and construction cost estimate (application Attachment B2) will now separate builder's fees into builder's overhead, general conditions and builder's profit. General requirements will no longer be included as part of builder's fees and will no longer be included under the 14% limit on those fees.

8. Increased 9% LIHC per unit and per project caps for New York City

The 9% LIHC per unit cap increased from \$22,000 per unit to \$27,000 per unit and the 9% LIHC per project cap increased from \$1.43 million to \$2 million per project. See the 9% LIHC Program Term Sheet, Section IV. Program Announcements for more details.

9. Underwriting Conventions

- a. New requirements for developer fee on multi-phase projects and High Cost Projects.
- b. Clarification on replacement reserves contributions.
- c. Updated requirements for owner equity contributions/sponsor loans proposed at application.

See Section V. Additional Guidance for the UF 2018 Round for more details.

10. NYCHA Seniors First 9% LIHC Set-Aside

As part of a long-term commitment to increasing affordable housing opportunities for seniors, HCR will set-aside a portion of the available UF 2018 9% LIHC for projects that are part of the New York City Housing Authority (NYCHA) and the New York City Department of Housing Preservation and Development (HPD) Seniors First Initiative. See the 9% LIHC Term Sheet for more information.

11. Webinar

A Webinar will be held on September 20th, 2018 at 1:00 PM to provide an overview of the RFP components. This webinar will be recorded and made available on the HCR's website at [2018 Unified Funding Materials](#). Below is the information necessary to access the webinar:

Topic: Multifamily Programs Unified Funding RFP 2018 Webinar

Date and Time:

Thursday, September 20, 2018 1:00 pm, Eastern Daylight Time (New York, GMT-04:00)

Event number: 640 179 822

Event password: September20

To join the online event

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Access code: 640 179 822

If you are having difficulty accessing the Webinar, please call (518) 473-1088.

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 2018 CDOL application will be available on the HCR Website at:

[2018 Unified Funding Materials](#)

UF 2018 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 Award 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 18, 2018. Applications for Early Award ESSHI Projects must be completed and submitted no later than 5:00 PM on Thursday, November 15, 2018. All other UF 2018

Capital Applications must be completed and submitted by 5:00 PM on Wednesday, December 19, 2018. In the event an application does not receive an Early Award for an application submitted pursuant to either the October 18th or November 15th 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. Technical Assistance procedures and Regional Offices are listed in Section VII of this document. Subsequent to submission of a UF 2018 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 2018 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: [2018 Unified Funding Materials](#), including:

1. UF 2018 Capital Application, available at: www.nyshcr.org/Apps/CDOnline/;
2. Printable instructions for the UF 2018 Capital Application Exhibits and Attachments, including screen shots of the CDOL Exhibits;
3. HCR Design Standards;
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 2018 Reference Materials;
8. Project Based Voucher Materials;
9. State Historic Preservation Office Walkthrough Guidance and Contact List;

10. Affirmative Fair Housing Marketing Plan Guidance;
11. HOME and CDBG Relocation Appeal Process;
12. HOME and CDBG Residential Antidisplacement and Relocation Plan;
13. UF 2018 Capital Application Webinar;
14. Housing Opportunity Census Tracts; and,
15. Pre-Qualified Market Analysts List.

III. Early Award Projects

A. General Information

HCR seeks to encourage high quality, high readiness projects that advance specific State Housing Goals by providing an accelerated application and review process as part of UF 2018. 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 2018 Standard Round applications generally, 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 this RFP. In the event 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 2018 applications, applicants for Early Awards must also:

1. Submit a complete application by 5:00 PM, October 18, 2018, or by 5:00 PM, November 15, 2018 for Early Award ESSHI Projects;
2. Demonstrate that the project will be able to proceed to construction start within 120 calendar days of award outside of the City of New York. Projects located in the City of New York must demonstrate the project will be able to proceed to construction within 180 days of award. 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, complexity of the proposed transaction,

including whether a project must comply with National Environmental Policy Act (NEPA) requirements, and status of financing commitments;

3. Submit the following documents to demonstrate a high level of project readiness:
 - a. Contract of sale (if available);
 - b. Verification that the process of tax abatement has been initiated or completed;
 - c. Draft LP/LLC operating agreement (if available);
 - d. Title report;
 - e. Evidence that all necessary local approvals and financing sources have been secured or will be secured within the Early Award timeframes;
 - f. A Phase I ESA that determined there are no Recognized Environmental Conditions or a Phase 2 ESA and a remediation plan, if deemed necessary by the Phase 2 ESA. If a NEPA review is required, submit confirmation that NEPA is expected to be completed within the Early Award timeframes; and,
4. Provide documentation demonstrating that the application proposes a project that will clearly advance at least one State Housing Goal described below in Section B.

Those applications which meet one or more of the State Housing Goals, but are not submitted by the Early Award/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. State Housing Goals

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

1. 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.

2. 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 residential and/or mixed use projects located in Downtown Revitalization Initiative plan areas that clearly advance the objectives of an approved Downtown Revitalization Initiative Strategic Investment Plan as evidenced by significant financial assistance which has been made available as part of such plan.

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 60% of AMI.

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 and/or “zombie” properties;

- propose a retail/community service component that will address an unmet community need identified in a neighborhood-specific revitalization plan;
- propose a project resulting in the cleanup/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 fully utilizing all BCP tax credits generated from the cleanup/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;
- propose a comprehensive workforce development plan for the recruitment, training, and hiring of low-income residents for the construction of the project from the neighborhoods surrounding the proposed project. 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;
- propose a project which will be implemented in a neighborhood located in a designated Empire State Poverty Reduction Initiative (ESPRI) locality and coordinated with the ESPRI activities underway. At least 15% of the project units must be targeted to and serve households at or below 30% of AMI.

3. Workforce Opportunity Goals

a. Housing Opportunity Projects (HOP)

These applications will propose workforce housing in census tracts with poverty rates at or less than 10% according to 5 year averages from the American Community Survey and average school testing scores in the upper two quartiles of proficiency scores for 3 through 8 grade English and Math exams statewide (averaged over the past 5 years). (See UF 2018 Reference Materials for a list of these census tracts.) Projects must be located in close proximity to frequently occurring public transportation (i.e., available 7 days a week on a repetitive, fixed-route schedule that is regular and continuing) that provides reasonable access to child care and employment opportunities. Proposed projects must include an average unit size of at least 2 bedrooms. Proposed projects must also target at least 10% of project units to households at or below 30% of AMI. 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 Goal**a. 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.

IV. Program Announcements and Term Sheets

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: [2018 Unified Funding Materials](#). 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.

For projects utilizing multiple sources of tax credit financing, investor letters must separately quantify the value of each tax credit resource including, but not limited to, all housing, historic and brownfield tax credits. While HCR recognizes tax credit investors consider the blended yield of these investments on a project-wide basis, for both policy and programmatic reasons, including the need to highlight the real value of these resources for tax payers and policymakers, HCR requires that investors and syndicators to assign an independent value to each type of credit reflecting the actual market value of the resource being proposed for purchase.

FY 2018-19 Anticipated Amount Available	Approximately \$37.5 million.
Per Project Maximum Award	Up to \$1.43 million per project for projects located outside the City of New York and up to \$2 million per project for projects located within the City of New York annual 9% LIHC allocation with the

	following exception: up to \$1.65 million for projects located outside the City of New York and up to \$2.28 million for projects located within the City of New York 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).
Per Residential Unit Maximum Award	Up to \$22,000 per unit for projects located outside the City of New York and up to \$27,000 per unit for projects located within the City of New York.
Interest Rate and Loan Terms	N/A
Construction and/or Permanent Financing	N/A
Eligible Uses	Residential only or residential with Community Service Facility; new construction, building acquisition with rehabilitation, and rehabilitation. Adaptive reuse of non-residential property.
Priorities	ESSHI, Supportive Housing and Housing Opportunity 9% LIHC Set-Aside. See 9% LIHC Set-Aside Information below; other State Housing Goals.
Scoring Criteria	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).
Area Median Income (AMI) Restrictions	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); or 4) Low-income households earning up to 80% of AMI and must meet the following statutory parameters: a) at least 40% of the project units are both rent-restricted and occupied by individuals do not exceed the imputed income limitations designated by the project owner; b) the average imputed income limitations designated cannot exceed 60% of AMI, and c) the designated imputed income limitations must be in 10% increments ranging from 20% to 80% of AMI.

Eligible Applicants	Not-for-profit developers, for-profit developers, individuals, corporations, limited partnerships, and limited liability corporations.
Regulatory Agreement Requirements	Minimum of 50 years
Reserve Requirements	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. Initial replacement reserve capitalization equal to \$1,000 per unit. Annual replacement reserve contribution equal to \$250 per unit with an allowable rate of increase of up to 3% annually.
Geographic Targeting	Awards will promote a statewide geographic distribution of this financing.
Environmental Review	Per the 9% LIHC QAP, submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act. At the time of application, a Phase I Environmental Assessment must be submitted. Prior to construction closing, a final determination letter, or, if necessary, final agreement to resolve adverse impacts from the State Historic Preservation Office must be submitted. See application instructions for Attachment A4 (SHPO) and A5 (SEQR) for more information.
Design Guidelines	Must meet HCR Design Standards as well as HCR square footage and common space maximums.
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 2014 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 2014 and the inability to remit the application fee at the time of

	<p>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 2018 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.</p> <p>Arnon.adler@nyshcr.org</p>
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 18, 2018 for Early Award Projects. Applications accepted until 5:00 PM November 15, 2018 for Early Award ESSHI Projects. Applications accepted until 5:00 PM December 19, 2018 for Standard Award Projects.

9% LIHC Set-Asides

HCR expects to set-aside a portion of the available UF 2018 9% LIHC for the following program priorities: Empire State Supportive Initiative Housing (ESSHI) Projects and Supportive Housing Projects (up to \$5 million); Housing Opportunity Projects (up to \$5 million); and, NYCHA Seniors First Projects (up to \$15 million over several years). DHCR may exceed these set-aside amounts depending upon the number of competitive and feasible Set-Aside 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.

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 must provide evidence from the government service agency providing services and supports to the project that the project complies with Olmstead requirements.

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 at or less than 10% according to 5 year averages from the American Community Survey and average school testing scores in the upper two quartiles of proficiency scores for 3 through 8 grade English and Math exams statewide (averaged over the past 5 years). (See UF 2018 Reference Materials for a list of these census tracts.) Proposed projects must have an average unit size of at least 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.

d. NYCHA Seniors First

As part of a long-term commitment to increasing affordable housing opportunities for seniors, HCR will set-aside up to \$15 million in 9% LIHC over several years for 1,000 units that are part of the New York City Housing Authority (NYCHA) and the New York City Department of Housing Preservation and Development (HPD) Seniors First Initiative. In order to qualify under the NYCHA Seniors First Set-Aside, applicants must demonstrate that the project: (i) received an award of site control of underutilized housing authority property through the New York City Housing Authority and the New York City Department of Housing Preservation and Development Seniors First initiative; (ii) is located in Central Brooklyn; (iii) received the endorsement of the Independent Emergency Manager or such other monitor as may be designated by HCR in its sole discretion. [Projects must be intended for and solely occupied by persons 62 years of age or older. Projects must also be 100% affordable.](#)

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 2018 Materials: [2018 Unified Funding Materials](#)

The enacted New York State Fiscal Year 2018-19 budget authorized for the first time the bifurcation and transfer of the State Low-Income Housing Tax Credit (SLIHC) in order to broaden the potential SLIHC investor pool and increase the value of SLIHC pay-ins for HCR projects. Applicants and investors contemplating the use of this transfer authority should schedule a technical assistance session with HCR. See Section VII. Regional Office Service Areas and Technical Assistance.

For projects utilizing multiple sources of tax credit financing, investor letters must separately quantify the value of each tax credit resource including, but not limited to, all housing, historic and brownfield tax credits. While HCR recognizes tax credit investors consider the blended yield of these investments on a project-wide basis, for both policy and programmatic reasons, including the need to highlight the real value of these resources for tax payers and policymakers, HCR requires that investors and syndicators to assign an independent value to each type of credit reflecting the actual market value of the resource being proposed for purchase.

SLIHC may not be used to finance senior units serving households above 60% of AMI.

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.

FY 2018-19 Anticipated Amount Available	Approximately \$4 million.
Per Project Maximum Award	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.
Per Residential Unit Maximum Award	N/A

Interest Rate and Loan Terms	N/A
Construction and/or Permanent Financing	N/A
Eligible Uses	Residential only; new construction, building acquisition with rehabilitation, and rehabilitation. Adaptive reuse of non-residential property.
Priorities	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.
Scoring Criteria	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 with Special Needs (5), Participation of Non-Profit Organizations (4), Income Mixture (10), Historic Nature of Project (3), Cost Effectiveness (5), Housing Opportunity Projects (3) and Minority and Women Owned Business Enterprise Participation (2).
Area Median Income (AMI) Restrictions	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. SLIHC may not be used to finance senior units serving households above 60% of AMI.
Eligible Applicants	Not-for-profit developers, for-profit developers, individuals, corporations, limited partnerships, and limited liability corporations.
Regulatory Agreement Requirements	Minimum of 50 years
Reserve Requirements	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. Initial replacement reserve capitalization equal to \$1,000 per unit. Annual replacement reserve contribution equal to \$250 per unit with an allowable rate of increase of 3% annually.
Geographic Targeting	Awards will promote a statewide geographic distribution of this financing.

Environmental Review	Per the 9% LIHC QAP, submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act. At the time of application, a Phase I Environmental Assessment must be submitted. Prior to construction closing, a final determination letter, or, if necessary, final agreement to resolve adverse impacts from the State Historic Preservation Office must be submitted. See application instructions for Attachment A4 (SHPO) and A5 (SEQR) for more information.
Design Guidelines	Must meet HCR Design Standards as well as square footage and common space maximums.
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 2014 and which will 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 2014 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 2018 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 6 th 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 18, 2018 for Early Award Projects. Applications accepted until 5:00 PM November 15, 2018 for Early Award ESSHI Projects. Applications accepted until 5:00 PM December 19, 2018 for Standard Round Projects.

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, housing opportunity projects, community redevelopment and revitalization, and developments specifically supported by the Regional Economic Development Councils.

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.

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.

HTF may not be used with SHOP or PHP. HTF may not be used to finance senior units serving households above 60% of AMI. [For occupied senior Preservation Projects, HTF may be used to assist existing tenants above 60% of AMI, up to 90% of AMI outside of New York City \(up to 80% of AMI in New York City\). However, as the occupied units above 60% of AMI become vacant, units must be filled with tenants at or below 60% of AMI.](#)

FY 2018-19 Anticipated Amount Available	Approximately \$44.2 million (subject to appropriation).
Per Project Maximum Award	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 at least 2 bedrooms provided in the project.
Per Residential Unit Maximum Award	\$125,000

Interest Rate and Loan Terms	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.
Construction and/or Permanent Financing	HTF is available for permanent financing only.
Eligible Uses	Primarily residential: rental housing; 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 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. Co-operatives and condominiums are not eligible.
Priorities	Brownfield Projects, 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.
Scoring Criteria	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).
Area Median Income (AMI) Restrictions	Up to 90% of AMI outside of New York City (up to 80% of AMI in New York City). HTF may not be used to finance senior units serving households above 60% of AMI. For occupied senior Preservation Projects, HTF may be used to assist existing tenants above 60% of AMI, up to 90% of AMI outside of New York City (up to 80% of AMI in New York City). However, as the occupied senior units above 60% of AMI become vacant, units must be filled with tenants at or below 60% of AMI.
Regulatory Agreement Requirements	30 years

<p>Reserve Requirements Operating Reserves</p> <p>Replacement Reserves</p>	<p>HTF projects without LIHC/SLIHC: no operating reserve capitalization required; HTF, by statute, may not fund an operating reserve.</p> <p>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.</p> <p>All HTF projects: Annual operating reserve contributions equal to 3% of gross rents.</p> <p>HTF with LIHC/SLIHC: replacement reserve capitalization equal to \$1,000 per unit.</p> <p>HTF without LIHC/SLIHC: no requirement for capitalized replacement reserve.</p> <p>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.</p> <p>HTF with LIHC/SLIHC: Annual replacement reserve contribution equal to \$250 per unit.</p> <p>HCR will allow up to a 3% annual increase rate to the initial replacement reserve contribution.</p>
<p>Geographic Targeting</p>	<p>Awards will seek to promote a statewide geographic distribution of this financing.</p>
<p>Environmental Review</p>	<p>All project must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act. At the time of application, a Phase I Environmental Assessment must be submitted. Prior to construction closing a final determination letter, or, if necessary, final agreement to resolve adverse impacts from the State Historic Preservation Office must be submitted.</p>
<p>Design Guidelines</p>	<p>Must meet HCR Design Standards, as well as HCR square footage and common space maximums.</p>
<p>Marketing Plan Requirements</p>	<p>Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.</p>
<p>NYS MWBE Requirements</p>	<p>Yes</p>
<p>Deadline</p>	<p>Applications accepted until 5:00 PM October 18, 2018 for Early Award Projects. Applications accepted until 5:00 PM November 15, 2018 for Early Award ESSHI Projects. Applications accepted until 5:00 PM December 19, 2018 for Standard Round Projects.</p>

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 appropriate supportive services offered to tenants. 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. Applicants can access Section 8 Housing Choice Project Based Vouchers (from HCR and local administrators) to fund non-ESSHI units in an ESSHI project. In New York City, applicants can access Section 8 Housing Choice Project Based Vouchers for rental subsidies for both ESSHI and non-ESSHI units. The ESSHI service and operating award will be reduced to account for services only on ESSHI units.

Applicants requesting SHOP funds may not also request HTF or PHP funds.

Please note that applicants seeking SHOP funding in conjunction with tax exempt bond financing must apply under the Open Window RFP.

FY 2018-19 Anticipated Amount Available	Approximately \$45 million (subject to appropriation).
Per Project Maximum Award	N/A
Per Residential Unit Maximum Award	<p>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.</p> <p>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.</p> <p>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</p>

	unit awards are expected for projects unable to secure leveraged resources and/or for projects where prevailing wages are required.
Interest Rate and Loan Terms	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.
Construction and/or Permanent Financing	Permanent financing available.
Supportive Services and Operating Funding	<p>In order to be eligible for SHOP financing, a service and operating award or plan must be submitted that meets the requirements of the 9% LIHC QAP definition of supportive housing. 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. Applications utilizing ESSHI 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.</p> <p>Please note, projects proposing to serve persons with Intellectual/Development Disabilities must include a letter of support committing capital financing from NYS Office of Persons with Developmental Disabilities for a least one-half of the Total Project Costs for the cost of those units.</p>
Eligible Uses	New construction of, or the adaptive reuse of non-residential property to, affordable housing; rehabilitation of unregulated residential property that will create affordable housing.
Priorities	HCR will give a preference to projects which are comprised of at least 50% supportive housing units. Projects with ESSHI Conditional Awards will have priority.
Scoring Criteria	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).
Area Median Income (AMI) Restrictions	At least 50% of the units in the project must be affordable to households earning no more than 60% of AMI.
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

	<p>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:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Serious mental illness (SMI); <input type="checkbox"/> Substance use disorder (SUD); <input type="checkbox"/> Persons living with HIV or AIDS; <input type="checkbox"/> Victims/Survivors of domestic violence; <input type="checkbox"/> Military service with disabilities (including veterans with other than honorable discharge); <input type="checkbox"/> Chronic homelessness (including families, and individuals experiencing street homelessness or long-term shelter stays); <input type="checkbox"/> Youth/young adults who left foster care within the prior five years and who were in foster care at or over age 16; <input type="checkbox"/> Homeless young adults between 18 and 25 years old; <input type="checkbox"/> Adults, youth or young adults reentering the community from incarceration or juvenile justice placement, particularly those with disabling conditions; <input type="checkbox"/> ESSHI Frail elderly/seniors (see the ESSHI RFP for full definition); <p>and,</p> <ul style="list-style-type: none"> <input type="checkbox"/> Individuals with Intellectual/Development Disabilities (I/DD). <p>Definition of Homeless: In order to be considered homeless for the purposes of this RFP, an individual must meet one of the following criteria:</p> <ol style="list-style-type: none"> (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. <p>Please note, projects proposing to serve persons with Intellectual/Development Disabilities must include a letter of support committing capital financing from NYS Office of Persons with Developmental Disabilities for a least one-half of the Total Project Costs for the cost of those units.</p> <p>Projects of 15 or more ESSHI units, with 30 or more units in total serving applicable populations, will be required to set aside 25 percent of designated ESSHI units for high-cost, high-need Medicaid users. The applicable populations are SMI, substance use disorder, individuals diagnosed with HIV/AIDS, chronic homelessness, homeless frail elderly/seniors, individuals with developmental disabilities. See the ESSHI Glossary located at www.omh.ny.gov for definitions.</p>
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Eligible Applicants	<p>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:</p> <ul style="list-style-type: none"> • 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	<p>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.</p>
Reserve Requirements	<p>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 MIHP: use HTF term sheet with LIHC/SLIHC reserve requirements.</p>
Additional Eligibility Criteria	<p>Evidence of a service and operating award and a supportive services plan that meets the 9% LIHC QAP definition of supportive housing 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.</p>
Geographic Targeting	<p>Awards will promote the furtherance of the Empire State Supportive Housing Initiative.</p>
Environmental Review	<p>All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act. At the time of application, a Phase I Environmental</p>

	Assessment must be submitted. Prior to construction closing, a final determination letter, or, if necessary, final agreement to resolve adverse impacts from the State Historic Preservation Office must be submitted.
Design Guidelines	Must meet HCR Design Standards as well as square footage and common space maximums.
Marketing Plan Requirements	Must meet HCR's Fair Housing Affirmative Marketing Plan requirements.
NYS MWBE	Yes
Deadline	Applications accepted until 5:00 PM October 18, 2018 for Early Award Projects. Applications accepted until 5:00 PM November 15, 2018 for Early Award ESSHI Projects. Applications accepted until 5:00 PM December 19, 2018 for Standard Round Projects.

Middle Income Housing Program

Middle Income Housing Program (MIHP): MIHP provides financing for acquisition, construction 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 high cost rental markets. MIHP resources will be made available for projects that advance two goals: Mixed Income Revitalization and Mixed Income Stabilization Projects.

Mixed Income Revitalization Projects are located in economically challenged neighborhoods, such as economically challenged neighborhoods in a Qualified Census Tract, and must be part of a comprehensive neighborhood specific revitalization effort that has been developed with significant community and/or local government involvement as evidenced by the commitment of local resources and local actions that have been taken or will be taken in support of the project.

Mixed Income Stabilization Projects are located in transitional neighborhoods straddling strategic borders between economically stable and economically challenged communities with a priority for projects that are part of a comprehensive neighborhood specific revitalization or stabilization effort. Applicants must demonstrate the disparity in economic and social conditions of the neighborhoods bordering the transitional neighborhood using property sales data, poverty rates, vacant property data, crime data, public health indicators and/or other data sources.

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. 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. 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. MIHP must meet LIHC set-aside requirements.

MIHP may not be used to finance senior units serving households above 60% of AMI.

FY 2018-19 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 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.
Interest Rate and Loan Terms	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. Minimum 50-year loan term.
Construction and/or Permanent Financing	Permanent financing only.
Eligible Uses	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 to finance senior units serving households above 60% of AMI.
Priorities	Applications which clearly demonstrate that a Mixed Income Stabilization Project is part of a comprehensive neighborhood-specific revitalization or stabilization effort that has been developed with significant community and/or local government involvement as evidenced by the commitment of local resources and local actions that have been taken or will be taken in support of the project.
Scoring Criteria	Developer team and experience and capability (20), Readiness (30), Efficiency (20), Leverage (20) and Families Served (10).
Area Median Income (AMI) Restrictions	Up to 130% AMI. Projects must meet standard LIHC low income set-aside requirements. MIHP may not be used to finance senior units serving households above 60% of AMI. HCR will allow a reduced rent burden to encourage middle- and moderate- income households to reside in Mixed Income Stabilization and Mixed Income Revitalization Projects. In such cases, HCR will allow up to a 20% rent advantage for middle income tenants. For example, if the rent of a MIHP unit is set at an 94% AMI affordability level, it may be rented to households up to 114% of AMI.
Eligible Applicants	Not-for-profit corporations or charitable organizations or a wholly-owned subsidiary of such corporations or organizations, or private for-profit developers.
Regulatory Agreement Requirements	Minimum of 50 years
Reserve Requirements	Use HTF term sheet with LIHC/SLIHC reserve requirements.

Geographic Targeting	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. At the time of application, a Phase I Environmental Assessment must be submitted. Prior to construction closing, a final determination letter, or, if necessary, final agreement to resolve adverse impacts from the State Historic Preservation Office must be submitted.
Design Guidelines	Must meet HCR Design Standards as well as HCR square footage and common space maximums.
Marketing Plan Requirements	Must meet HCR's Fair Housing Affirmative Marketing Plan requirements.
NYS MWBE Requirements	Yes
Deadline	Applications accepted until 5:00 PM October 18, 2018 for Early Award Projects. Applications accepted until 5:00 PM November 15, 2018 for Early Award ESSHI Projects. Applications accepted until 5:00 PM December 19, 2018 for Standard Round Projects.

Public Housing Preservation Program

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. The PHP capital program will 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.

PHP funds cannot be combined with HTF or SHOP. 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. PHP applicants must also demonstrate that necessary operational economies have been implemented or will be implemented as part of a redevelopment project's plan of finance.

FY 2018-19 Anticipated Amount Available	Approximately \$10 million (subject to appropriation).
Per Project Maximum Award	Up to \$2.4 million.
Per Residential Unit Maximum Award	Up to \$50,000 per housing unit with a household income up to 60% of AMI.
Interest Rate and Loan Terms	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.
Construction and/or Permanent Financing	Permanent financing only.

Eligible Uses	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.
Priorities	Properties currently supervised or otherwise regulated by HCR. Properties approved for RAD1 by HUD.
Scoring Criteria	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).
Area Median Income (AMI) Restrictions	Up to 90% AMI outside New York City; up to 80% AMI in New York City.
Eligible Applicants	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.
Regulatory Agreement Requirements	30 years
Reserve Requirements	Stand-alone PHP with no LIHC/SLIHC: use HTF stand-alone term sheet reserve requirements. PHP with LIHC/SLIHC: use HTF term sheet with LIHC/SLIHC reserve requirements.
Geographic Targeting	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. At the time of application, a Phase I Environmental Assessment must be submitted. Prior to construction closing a final determination letter, or, if necessary, final agreement to resolve adverse impacts from the State Historic Preservation Office must be submitted.
Design Guidelines	Must meet HCR Design Standards as well as HCR square footage and common space maximums.

Marketing Plan Requirements	Must meet HCR's Fair Housing Affirmative Marketing Plan requirements.
NYS MWBE Requirements	Yes
Deadline	Applications accepted until 5:00 PM October 18, 2018 for Early Award Projects. Applications accepted until 5:00 PM November 15, 2018 for Early Award ESSHI Projects. Applications accepted until 5:00 PM December 19, 2018 for Standard Round Projects.

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 with mortgage financing from HCR in rural areas of the State that may or may not have a retail, commercial or community facility space.

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 for non-residential purposes must be requested in combination with one the UF residential development financing programs listed in this RFP. The single exception to this rule is for applications submitted for residential Rural Preservation Projects. CIF is the only UF funding source that can be requested for residential Rural Preservation Projects.

PLEASE NOTE, applicants may also apply for CIF funding through the Multifamily Open Window Request for Proposals.

FY 2018-19 Anticipated Amount Available	Up to \$31.8 million (subject to appropriation).
Per Project Maximum Award	Up to \$2.0 million per project
Per Residential Unit Maximum Award	Up to \$60,000 per housing unit with a household income limit of up to 60% AMI for residential affordable housing preservation. For occupied senior Preservation Projects, CIF may be used to assist existing tenants above 60% AMI, up to 80% of AMI. However, as the occupied units above 60% of AMI become vacant, units must be filled with tenants at or below 60% of AMI.
Interest Rate and Loan Terms	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 financing

	<p>circumstances and market conditions related to individual applications for assistance.</p>
Construction and/or Permanent Financing	<p>CIF is available for construction financing for residential rural preservation projects only and permanent financing. CIF for non-residential purposes is available for permanent financing.</p>
Eligible Uses	<p>Acquisition, hard and related soft costs of retail, commercial, or community facility components associated with mixed-use affordable housing developments in urban and rural communities seeking residential financing pursuant to this RFP. In general, costs of furniture and furnishings are not eligible for CIF funding.</p> <p>For a Rural Preservation Project, at least 90% of the proposed total development costs must be directly related to physical improvements that will extend the useful life and improve the habitability and energy efficiency of the project. The scope of work must extend 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.</p>
Scoring Criteria	<p>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).</p> <p>For rural 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).</p>
Area Median Income (AMI) Restrictions	<p>For rural residential preservation projects, up to 60% of AMI.</p> <p>Non-residential CIF projects must be a part of, or in close proximity to, and clearly serve the needs of tenants residing in an Affordable Residential Development in which at least 70% of the units serve households at or below 90% of AMI.</p>
Eligible Applicants	<p>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.</p>
Regulatory Agreement Requirements	<p>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.</p>

	<p>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. Applicants will be required to enter into a condominium and/or a payment guarantee for the non-residential component of the mixed-use project prior to permanent financing closing.</p>
<p>Additional Eligibility Criteria</p>	<p>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.</p>
<p>Geographic Targeting</p>	<p>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.</p>
<p><u>Residential Reserve Requirements</u> Operating Reserves</p> <p>Replacement Reserves</p> <p><u>Non-residential Reserve Requirements</u> Operating Reserves</p> <p>Replacement Reserves</p>	<p>No capitalization operating reserve required. Annual Operating reserve contribution requirement: 3% of gross rents.</p> <p>No requirement for capitalized replacement reserve. 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.</p> <p>HCR will allow up to a 3% annual increase rate to the initial replacement reserve contribution.</p> <p>No capitalized operating reserve required. No annual operating reserve required.</p> <p>Capitalized replacement reserve: 1% of total non-residential development cost. Annual replacement reserve: 3% of gross non-residential rent</p>
<p>Environmental Review</p>	<p>All projects must submit documentation necessary to enable HCR to make an acceptable finding under the State Environmental Quality Review Act. At the time of application, a Phase I Environmental Assessment must be submitted. Prior to construction closing, a final</p>

	determination letter, or, if necessary, final agreement to resolve adverse impacts from the State Historic Preservation Office must be submitted.
Design Guidelines	Residential units financed with CIF are subject to HCR Design Standards. 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 HCR Design Standards, 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. 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 this RFP.
Marketing Plan Requirements	Must meet HCR’s Fair Housing Affirmative Marketing Plan requirements.
NYS MWBE	Yes
Deadline	Applications accepted until 5:00 PM October 18, 2018 for Early Award Projects. Applications accepted until 5:00 PM November 15, 2018 for Early Award ESSHI Projects. Applications accepted until 5:00 PM December 19, 2018 for Standard Round Projects.

CIF Funding Priorities

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

- a). for residential Rural Preservation Projects, which have previously received mortgage financing from, and are currently regulated by the New York State Division of Housing and Community Renewal and/or the New York State Housing Trust Fund Corporation and which have significant unmet physical needs that 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.

- 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 that will be used to address critical unmet community needs (e.g., access to health care, affordable fresh foods, services for low income seniors, educational opportunities, daycare for working families) 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 and address a critical unmet community needs (e.g., access to health care, affordable fresh food, services for low income seniors, educational opportunities, daycare for working families).

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 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. The match must be from non-HCR resources and cannot include LIHC or SLIHC tax credit equity.

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. CIF funds cannot be used to fund an operating reserve.
- 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.
- 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 the non-residential component of mixed-use projects, owners shall be required to provide a payment guarantee of rents and expenses on the non-residential space and/or establish a condominium for the non-residential space to ensure to the satisfaction of the agency that sufficient funds 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. See CPM Section 5.10 Financing Requirements for more information.
- 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.

- 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 9% LIHC, SLIHC, HTF, SHOP, PHP, CIF, or MIHP Program funds as one of the sources of permanent financing for a UF 2018 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.

Section 8 Housing Choice Project Based Voucher Program (PBV)

Section 8 Housing Choice Project Based Voucher Program (PBV): As authorized by program regulations at 24 CFR 983, HCR plans to offer approximately 50 units of Project Based Voucher (PBV) assistance for proposed projects financed through the HTF, 9% LIHC, SLIHC, SHOP, PHP, CIF, and MIHP programs. A complete description of all applicable program regulations can be found within the Electronic Code of Federal regulations at: www.ecfr.gov (Title 24, Part 983).

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 (see application instructions Attachment F19) and the Uniform Relocation Assistance and Real Property Acquisition Act for occupied rehabilitation projects.

Applicants must also indicate at the time of application whether project units assisted with PBVs will lease up at one time (i.e. single-stage) or incrementally as units are completed (i.e. multi-stage).

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>.

For all applications proposing the use of PBVs, HCR will only allow a developer fee at or below the HUD safe harbor limit of 12% of the total development cost, regardless of the source of the PBVs.

Applicants are invited to submit proposals for the use of PBVs in connection with the rehabilitation or construction of rental units in **only** those counties serviced by HCR's Section 8 Housing Choice Voucher Program. Onondaga, Erie, Monroe, Cortland and Broome counties are not served by HCR's Section 8 Housing Choice Voucher Program.

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, SHOP, PHP, CIF, and MIHP 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.

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

V. Additional Guidance for the UF 2018 Round

A. Underwriting

1. Underwriting Changes

a. New developer fee limits

- i. For High Cost Projects which exceed 130% of the cost region median but are less than 140% of the cost region median, the developer fee will be limited to no more than 13% of the developer fee eligible costs recognized by HCR; for projects that exceed 140% of the cost region median but are less than 150% of the cost region median, fee will be limited to no more than 12% of developer fee eligible costs; for projects that exceed 150% of the cost region median but are less than 160% of the cost region median, fee will be limited to no more than 11% of developer fee eligible costs; for projects that exceed 160% of the cost region median, fee will be limited to no more than 10% of developer fee eligible costs for a project at 160% of the cost region median. HCR may consider allowing a higher percentage fee based on specific project characteristics.
- ii. For subsequent phases of multi-phase projects that were previously awarded tax credit financing, developer fee may be limited to no more than 10% of developer fee eligible costs recognized by HCR.

b. As a clarification, HCR does recognize a 3% annual increase in the replacement reserve contribution.

c. In general, owner equity contributions and/or sponsor loans proposed at the time of application may not be replaced subsequent to award with other state funding sources if competitive points were awarded on the basis on those contributions and/or loans or if the replacement of those funds would in any way delay a project.

- d. In order to better align with construction industry practices, the UF development budget (application Exhibit 3) and construction cost estimate (application Attachment B2) will now separate builder's fees into builder's overhead, general conditions and builder's profit. General requirements will no longer be included as part of builder's fees and will no longer be include under the 14% limit on those fees.

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:

[2018 Unified Funding Materials](#)

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 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 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.

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. Environmental

1. SEQR Updates

If your project receives a coordinated SEQR determination (Negative Declaration or Findings Statement) on or before December 31, 2018, that determination is final, even for projects awarded by HCR after January 1, 2019. If your project does not have a final coordinated SEQR determination in place before December 31, 2018, the project will be subjected to the new SEQR regulations. HCR will continue to concur with coordinated SEQR determinations under the new regulations. Further information about the new SEQR regulations is available here: <http://www.dec.ny.gov/permits/83389.html>

C. 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

D. 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.

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 must

provide evidence from the government service agency providing services and supports to the project that the project complies with Olmstead requirements.

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.

E. NYS Brownfield Cleanup Program

Since its creation, the Brownfield Cleanup Program (BCP) has cleaned up hundreds 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 introduced 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. 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. 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 credits generated by the cleanup and redevelopment of the contaminated site are deemed by HCR 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.

F. 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 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 Fair and Equitable Housing Office Affirmative Fair Housing Marketing Plan requirements are detailed here:

[Affirmative Fair Housing Marketing Plan](#)

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. Please note that projects which intend to restrict tenancy for any portion of the units in the project based on age shall provide proof of receipt of an exemption from the New York State Division of Human Rights (DHR) in accordance with N.Y. Exec. Law § 296-2a(e) as a condition of HCR funding. Verification of this exemption must be provided directly to DHCR's Fair and Equitable Housing Office (FEHO) subsequent to award.

G. 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 committing capital financing from NYS Office of Persons with Developmental Disabilities for a least one-half of the Total Project Costs for those units.

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 consider 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 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/.

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 October 31, 2019. 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, 2019. 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 and 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, general contractor, 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 2018 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.

As stated above in Section V. A. 1. Underwriting Changes, for High Cost Projects that exceed the 130% of the median cost for the region but are less than 140% of the cost region median, developer fee will be limited to no more than 13% of the developer fee eligible costs recognized by HCR; for projects that exceed 140% of the cost region median but are less than 150% of the cost region median, fee will be limited to no more than 12% of developer fee eligible costs; for projects that exceed 150% of the cost region median but are less than 160% of the cost region median, fee will be limited to no more than 11% of the developer fee eligible costs; for projects that exceed 160% of the cost region median, fee will be limited to no more than 10% of the developer fee eligible costs for a project at 160% of the cost region median. HCR may consider allowing a higher percentage fee based on specific project characteristics.

Also, as part of its overall effort to control project costs, HCR will continue to apply HCR Design Standard maximum square footage and common space limits to all projects seeking funding as part of UF 2018.

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 additional application documentation after the application deadline.

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), preliminary plans (Attachment B3), and/or the Proposal Summary (Attachment F9). 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 HCR Design Standards. 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

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 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, any other alternative energy sources, or any energy efficiency strategies or green building practices, to incorporate the design, operating cost and development cost assumptions associated with those measures into the project at the time of application. Any changes to the energy efficiency strategy or green building practices after application submission will not be allowed.

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 a Home Energy Rating System (HERS) Rater, who has been qualified by NYSERDA as a Primary Energy Consultant. The contract must be signed by both the applicant and the Primary Energy Consultant. In lieu of a signed contract, HCR will accept a HERS-based plan review completed by a qualified 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 qualified Primary Energy Consultant eligible to support projects intending to participate in MF NCP to oversee the design and construction as necessary to meet the program requirements. The contract must be signed by both the applicant and the Primary Energy Consultant. 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, or newer based on the current building code in effect at the commencement of the construction of a project, or otherwise determined by EPA. 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 as currently published by the EPA, or newer, based on the construction timeframe, 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.

Rehabilitation projects that are not eligible to participate in NYSERDA programs due to the location of the project, and it is not feasible to comply due to the existing conditions, with the above energy efficiency standards of Enterprise Green Communities Criteria, or any of the other options in this RFP, may be allowed to participate in another energy efficiency standard in Enterprise Green Communities Criteria upon agreement of HCR. Applicants must request that HCR allow the alternate energy efficiency strategy a minimum of 30 days prior to the application submission.

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. Visitability

All projects shall comply with the Visitability standard found in the LIHC QAP.

d. Optional Green Building Program Participation (up to 5 points)

Points will be awarded as indicated below under the HTF, 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. In order to qualify for points listed under the four Green Building standards, applicants must commit at the time of application to design and implement a policy acceptable to HCR prohibiting the use of tobacco products that involve the ignition and burning of tobacco leaves within all interior areas of project buildings as well as in outdoor areas within 50 feet of inhabited project buildings, play areas, or any surrounding inhabited buildings or play areas outside of the project property. Project owners may also elect to prohibit the use of the aforementioned tobacco products anywhere on the project property.

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>

<http://www.passiv.de/en/index.php>

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.

e. 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.)

Applicants may propose additional accessible/adaptable units above the percentage needed to qualify for points under the QAP scoring criteria, as long as the applicant can provide evidence there is both a market and a referral source is available for the additional units. These additional units do not have to be rented to persons with mobility/hearing/vision impairments at initial rent up.

6. Additional Reviews

Depending 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. Pursuant to statutory requirements, no more than 50%

of the total amount HTF originally appropriated shall be awarded to projects located within any single municipality

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.

8. Board Approval

All HTF, CIF, SHOP, PHP, and MIHP awards must be approved by the HTFC Board of Directors. HTFC award authorizations will automatically lapse after 365 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 and/or the 9% LIHC/SLIHC Reservation Letter. 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.

Capital District Regional Office

Hampton Plaza, 6thFloor

38-40 State Street

Albany, New York, 12207

Darren Scott, Upstate Development Director East (518) 485-7608

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

Buffalo Regional Office

Electric Building, Suite 105

535 Washington Avenue

Buffalo, New York 14203

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

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

Syracuse Regional Office

620 Erie Boulevard West, Suite 312

Syracuse, New York 13204

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

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

New York City Regional Office

25 Beaver Street, 7th Floor

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

Pauline Friday, Supervising Project Manager: (212) 480-7158

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

2. Pre-Application Technical Assistance

A pre-application technical assistance (TA) session is a mandatory requirement for all Early Award applications and applicants proposing to utilize the 9% LIHC Income Averaging Set-Aside. A TA session may also be requested by all other prospective applicants seeking funding under the UF 2018 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 Early Award applicants must submit a request for a TA session by 5 PM on Thursday, September 27, 2018. Early Award ESSHI applicants must submit a request for a TA session by 5 PM on Thursday, October 18, 2018. All other prospective applicants must submit a request for a TA session by 5PM on Thursday, November 8, 2018.

The request for TA must include: 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 cited 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 team members 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). Please be specific regarding the issue to be addressed in the TA session, i.e., first time applicant, a specific site issue, or a unique financing issue.

To request a TA session, all prospective UF applicants must send an email to HCR at unifiedfunding@nyshcr.org, which includes the information listed above. After submission of the request for a TA session, HCR will schedule a TA session with the development team and the HCR staff who can provide guidance based upon the issue(s) identified in the request for TA. Applicants and/or development teams proposing multiple applications must submit separate requests for TA for each specific project application. For administrative convenience, HCR may hold consecutive TA sessions for multiple projects from the same applicant and/or development team, if scheduling permits.

Priority in scheduling will be given to Early Award applicant TA requests, provided the request clearly identifies that the local approvals necessary to start construction are in process and can be achieved within 120 days of award (180 days of award for projects in New York City). TA sessions will be scheduled until 1 week prior to the respective application deadlines for Early Award applicants and until 2 weeks prior to the application deadline for all other applicants.

Once HCR has scheduled the TA session, HCR will require applicants to submit completed UF pre-application documents from the Exhibit/Attachment list cited below at least 5 days before the scheduled TA session. If completed UF pre-application documents are not submitted to the above noted email address at least 5 days prior to the scheduled TA session, HCR reserves the right to cancel the TA session. The completed documents requested by HCR for the TA session will be based upon the information contained in the request for TA and may include all or a portion of the documents cited below.

- Exhibit 3 - Development Budget with HCR funding programs clearly identified (i.e., HTF/LIHC/SLIHC/SHOP/MIHP/CIF/PHP);
 - Exhibit 4 - Rent Plan;
 - Exhibit 5 - Operating Budget;
- NOTE:** For **ALL** mixed-use projects, exhibits 3 and 5 must be submitted for the residential project, the non-residential project, and the total project, regardless of whether HCR is financing the non-residential space.
- Attachment F9 - Project Summary;
 - Attachment B3 - Preliminary Plans;

- 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; and,
- Attachment D5 – Occupied Project Information (for occupied rehab projects only)

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: [2018 Unified Funding Materials](#)

TA sessions will be scheduled in the order the requests for TA are received by HCR. Please be advised the later a TA request is received reduces the likelihood the request can be accommodated.

Further, be advised that HCR guidance provided during a TA session is based solely on the information provided by the development team and that that questions asked during a TA session 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 by 5 PM on September 20, 2018. 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 October 5, 2018.

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 2018

-END OF REQUEST FOR PROPOSALS-