

HCR Multifamily Finance 9% RFP – Summer 2021

Questions and Answers #7

Environmental:

Q1: Are there specific requirements for Vapor Testing?

A: Follow the ASTM E-1527-13 Standard. Your consultant should be able to advise on what vapor screening is necessary. HCR does not require any vapor testing (samples) above-and-beyond what is required by the Standard.

Q2: If a project anticipates NYC 15/15 funding, but not City capital, which agency would take the lead on the environmental review?

A: If NYC will conduct a CEQR, HCR will concur with NYC's determination. If NYC will not conduct a CEQR, HCR will work with any other funding agencies (to the extent any exist) to achieve SEQR compliance.

Design:

Q1: The HCR Design Guidelines require 1 EV charging station per 20 parking spaces. If an EV charging station has two ports, does this count as two stations?

A: A charging station with two ports would count as two stations. Where a dual charger (two ports) is utilized, the minimum recommendation is a 32-40 amp Level 2 charger.

Q2: What level of detail must be provided in the application for the EV car chargers to be provided at each site?

A: The location of the EV chargers should be shown on the site plan. In Exhibit D-3: Outline Specification, please provide a brief description of the EV chargers that are planned to be provided, indicate that they will be Level 2 chargers, and indicate the total # of parking spaces proposed and the total number of EV chargers proposed.

Q3: The HCR Design Guidelines states that "High-efficiency electric heating systems and domestic hot water systems should be considered in place of fossil-fuel sourced appliances" with the only two exceptions being for market conditions. Is HCR requiring these systems to be fully electric?

A: HCR is not requiring all-electric HVAC or domestic hot water heating equipment at this time. The intent of the Design Guideline language is to encourage development teams to consider high efficiency appliances, such as heat pumps, VRFs etc., when designing new buildings to better align with the Climate Leadership and Community Protection Act carbon reduction goals. HCR encourages mechanical systems that are high efficiency and where possible, omit fossil fuels.

Q4: Should the responses for Attachment D-6: Energy Efficiency and Green Building pertain to the base project?

A: Yes, Attachment D-6 responses should pertain to the base project only.

Underwriting:

Q1: Can 9% LIHTC and HTF be combined in a project for units below 60%?

A: Yes, 9% LIHTC and HTF can be combined in a project for units below 60% AMI.

Q2: Can a project combine HTF and 9% LIHTC for use in a Community Service Facility?

A: A project can combine HTF and 9% LIHTC for use in a Community Service Facility provided the Community Service Facility meets the 9% LIHTC requirements and is limited to less than 10% of the HTF request.

Q3: Our syndicator is requiring the reserve contributions to be adjusted once the project reaches 50% of gross rents. How can this be shown in the current Underwriting application which does not allow for edits?

A: HCR reserve requirements must be followed. An annual replacement reserve equal to \$250 per unit for new construction or \$300 per unit for rehab, escalating at 3% annually is required for all LIHTC projects. No annual operating reserve contribution is required or allowed as an operating cost in LIHTC financed projects.

Q4: For a project requesting HOME funds, is an appraisal required if the land is being donated?

A: Yes. Per the CPM, if an applicant proposes the use of HOME funds, an appraisal must be provided even if the acquisition cost is below \$100,000.

Application:

Q1: For projects that have submitted applications in prior 9% rounds, does Attachment I-1 (Background Search Consent) and Attachment I-2 (Omnibus Certification) need to be submitted with the Summer 2021 page header if none of the member entities/principals or responses have changed?

A: Per the Summer 2021 Multifamily Finance 9% RFP, Section II. RFP Timeline and Submission Instructions, B. Application Submission Instructions:

B. Application Submission Instructions

Each applicant must submit a complete application, utilizing the current application forms and the instructions therein and providing the requested supporting documentation. Applications submitted on incorrect or outdated forms will not be considered for funding. Application forms and full submission instructions are available at hcr.ny.gov/multifamily.

Q2: For Exhibit D-7: Visitable, Accessible & Fully Adapted Units, must a copy of the written agreement with the service organization for the mobility, hearing and/or visual impaired units be submitted with the application?

A: Per the instructions for Exhibit D-7: Visitable, Accessible & Fully Adapted Units, by including fully adapted units in the project proposal, the applicant is certifying to HCR that the applicant has entered into a written agreement with a service organization experienced in serving the needs of persons with mobility, hearing, and/or vision impairments to refer to the project a sufficient number of prospective tenants requiring fully accessible, adapted, move-in ready units. Please note, an HCR Housing/Services Agreement should not be used as a written agreement for fully accessible and adapted units. If funded, the written agreement for accessible, adapted units must be submitted at least 30 days prior to construction financing closing.

Q3: In order to qualify for the points associated with the 9% LIHTC QAP Affordability scoring criteria (2040.3(f)(6)), must the project have a referral letter from a public housing authority? Would referrals from a housing authority be outside of a standard marketing lottery process?

A: Per the instructions for Attachment C-3: Public Housing Linkage Agreement, applicants seeking potential 9% LIHTC scoring points under Section 2040.3(f) of the QAP should submit the Public Housing Linkage Agreement as Attachment C-3. The Public Housing Linkage Agreement can be found at <https://hcr.ny.gov/marketing-plans-policies>. See Section 4.0 of the Capital Programs Manual for information on preferences in tenant selection and inclusion in Affirmative Fair Housing Marketing Plan submissions.

Q4: Attachment I-1: Background Search Consent and Authorization to Release Information requires principals of the development team to sign both the Background Search Consent and

the Authorization to Release Information. Does the general contractor need to sign the Authorization to Release Information if they are not the entity submitting the application?

A: The general contractor, as a participating entity in the development team named in the financing application, would need to complete Attachment I-1 as provided.

Q5: Can V30 of the application be submitted?

A: Yes. V30 of the application may be submitted as there is no missing functionality in this version of the application. V31 of the application provides a clarification in the Base Building Design category in Exhibit D-6a.