

## HCR Multifamily Finance 9% RFP – Fall 2023

### Questions and Answers #3

#### Underwriting:

**Q1: We are planning on submitting a new construction project on land which will be donated for \$10. Our HCR financing does not include HOME funds. Is an appraisal necessary?**

A: If the budgeted acquisition is under \$100,000 and HOME is not being requested from HCR, there is no need for an appraisal.

#### Application:

**Q1: Do all of the principals (i.e., nonprofit applicant's officers) of applicable entities defined in Exhibit A-2 Development Team Summary have to complete Attachment I-2 Omnibus Certifications?**

A: Each corporate entity and principal of the entities listed in Exhibit A-2 must complete Attachment I-1 and I-2, including the Board Chairperson/President and CEO Executive Director of a nonprofit.

**Q2: In the "Units and Square Footages" chart in Exhibit B-3 what is includable in the "Total Usable SF" column?**

A: The area indicated in that section should exclude all walls, including the interior partitions within the dwelling units.

**Q3: The Fall 2023 9% LIHTC RFP states the prior restrictions on the number of applications allowed to be submitted by a single applicant have been removed. However, the threshold requirements listed in Application Exhibit I-3 state the prior restrictions are still in effect. Are there restrictions on the number of applications an applicant can submit?**

A: No. As stated in the Fall 2023 9% LIHTC RFP, the prior restrictions on the number of applications allowed to be submitted by a single applicant have been removed. Applicants can answer "no" to Application Exhibit I-3 Row 22 which references the restrictions on the number of applications an applicant can submit with no penalty.

#### Term Sheets:

**Q1: The CIF term sheet states: "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, and other resources as qualified in the applications' development budget and supported by the funding commitment documentation." Can permanent loans and DRI funds be considered as qualifying "other resources" for the CIF 1/3 match requirement?**

A: Qualifying sources include permanent loans and non-HCR sources, as long as the financing is supported by a commitment.

Environmental:

**Q1: Our project requires tree cutting/clearing. To avoid impacts to the endangered Northern Long Eared Bat and/or Indiana Bat, the proposed mitigation is a time-of-year tree cutting/clearing limitation, with cutting/clearing to occur only between November 1 and March 31. What happens if the HCR award and environmental clearance cannot be accomplished in time to allow for tree clearing prior to March 31?**

A: Any developer in this position should consult a professional biologist with endangered bat expertise. If tree clearing before March 31 is impossible due to award timing constraints there are a couple of options. A project can propose a November close/construction. Alternatively, it may be possible to proceed after a more robust review under the guidance of a bat survey specialist familiar with USFWS "[Range-wide Indiana Bat and Northern Long-eared Bat Survey Guidelines](#)." After an HCR award and as part of the HCR environmental review, the specialist would prepare survey plans and submit them for review and acceptance by HCR, DEC, and possibly USFWS (depending upon funding sources). The plans typically involve conduct netting and acoustical studies for the listed bats on the site at night prior to tree removal in accordance with the USFWS guidance. If no listed bats are found, tree clearing may commence in accordance with the terms of an accepted plan. If listed bats are found, further consultation will be needed and commencement of tree clearing may need to wait.