

HCR Multifamily Finance 9% RFP – 2025

Questions and Answers #3

Underwriting:

Q1a: The Cash Flow Proforma tab in the Underwriting Application includes a cell (C57) that shows Net Cash Flow in 15 Years. If a project is sizing its permanent deferred fee equal to the amount above \$45/unit/month for 15 years, where should the calculation be shown?

A: There is no need to show the calculation.

Q1b: In this case, the deferred fee will be equal to the amount above \$45/unit/month for 15 years and the difference will be cash flow.

A: The deferred fee re-payment is a cash flow payment. It cannot be budgeted as an above-the-line payment.

Q2: What will HCR require to disburse the HCR Subsidy Completion Payment? What is the anticipated timeframe for disbursement after necessary documentation has been provided?

A: HCR requires a Certificate of Substantial Completion in addition to other HCR approvals. HCR anticipates disbursement approximately 2 months after receipt of the HCR Subsidy Completion Payment request.

Q3: What are the maximum rent levels and AMIs for ESSHI units?

A: ESSHI units must have rents that are targeted and affordable at 50% AMI.

Q4: Will HCR allow reimbursement of an option fee if the total purchase price including the option fee is less than the appraised value?

A: Yes, option fees are an allowable expense as part of the purchase price.

Q4: What interest rate should be shown for OPWDD Integrated Supportive Housing (ISH) funds?

A: As noted in the OPWDD RFA, applicants should use the .5% HCR interest rate.

Q5: If the submitted underwriting and initial commitment letter from a permanent lender ties to the minimum 30 year term, can a deferred fee be reduced post award to the extent a 35 year or 40 year term or amortization is feasible via a Government Sponsored Enterprise (i.e. Freddie or Fannie)?

A: Yes it can.

Q6: Can 581A estimates be trended at 2% since they are tied to NOI?

A: Yes, the Underwriting Application allows the sponsor to select the trending for taxes as these can vary greatly depending on whether using PILOT, 581a etc.

Q7: In the Units and Income tab of the Underwriting Application, what should be entered in the blank under “Qualified HH Income Limit (AMI)*” if the unit is market rate?

A: Do not enter any %, just leave the column at 0%.

Application:

Q1: For Attachment I-2: Omnibus Certifications, is a signed certification required from each principal at an organization/company/entity or is only one signed certification required for the organization/company/entity as a whole?

A: Per the Attachment I-2: Omnibus Certifications Instructions, the Omnibus Certification must be completed and signed by the corporate entities and the principals of the corporate entities listed in the Attachment. If there is more than one principal for a corporate entity, each principal must submit an Omnibus Certification.

Q2: For projects with ESSHI units, which Housing Services Agreement should be used?

A: The Housing Services Agreement for ESSHI units must be used (<https://hcr.ny.gov/persons-special-needs-forms>).

Q3: Which entities should enter into the Housing Services Agreement at application?

A: If formed, the Housing Services Agreement should be between the ownership LLC/LP and service provider. If LLC/LP is to be formed, then the Housing Services Agreement should be between the applicant and service provider.

Q4: Attachment B-6: Persons in Need of Supportive Housing refers to “Attachment A”. Is this referring to the first question in Attachment B-6?

A: Attachment B-6: HCR Plan for Persons in Need of Supportive Housing is a separate document from the Attachment A. The Attachment A is a brief description of the services to be provided under the ESSHI Contract including staff positions funded by ESSHI with related responsibilities.

Q5: Is a separate market study document required for CIF-funded commercial space or can the commercial space be included in the residential market study document?

A: A separate market study/analysis is not required for the commercial space. The commercial space may be included in the residential market study.

Q6: Are 2 points available for solar without pursuing a stretch goal for 3 points?

A: Please refer to Application Attachment D-6: Sustainability and Clean Energy Initiative. Project meeting the Stretch Sustainability Goals per Section 1 of the HCR Sustainability Guidelines are eligible for 3 points. Projects meeting the both the Stretch Sustainability Goals and the Additional Stretch Sustainability Measures are eligible for an additional 2 points (5 points total).

Q7: In Exhibit D-3: Outline Specifications there is a reference to the Commissioning Agent contract submitted as part of Exhibit D-6: Sustainability and Clean Energy Initiative. However, Attachment D-6 does not include a requirement/reference to submitting a Commissioning Agent contract. Where should the Commissioning Agent contract be submitted?

A: The requirement for the commissioning contract is indicated on the D-3 outline specifications as it is a *Section 2* Baseline Requirement (Exhibit D-6 pertains to Section 1 Baseline, Stretch Requirements, and clean energy funding requests). The Commissioning Agent contract should be submitted as an attachment to Exhibit D-6 as with any other energy/sustainability contract.

Q8: Exhibit D-3: Outline Specifications (line 359) states “Letter was provided stating that onsite generators will only be used in no load tests/exercise and for emergency purposes when the electric grid power fails.” Should this be a letter from the applicant?

A: Yes, a letter from the applicant will suffice.

Q9: For Exhibit D-7: Visitable, Accessible and Fully Adapted Units, is the certification a self-certification that the demand exists for Accessible Dwelling units and that the applicant has entered into a written agreement for referrals? Do the written agreements need to be submitted as part of the application?

A: Yes, this is a self-certification. While the written agreements do not need to be included in the application, the demand for the units must be known at the time of application. Please review HCR’s Guidelines for NYS HCR-Funded Housing Accessible Units for those with Mobility and/or Hearing/Vision Impairments at <https://hcr.ny.gov/marketing-plans-policies> which details the waiver process for HCR Accessible Units.

Q10: Can Docusign be utilized to provide signatures with the 9% Project Detail Application and certain documents?

A: Electronic signatures are accepted, however utilizing Docusign is not recommended. Certain docs become locked after signing via Docusign and HCR will not be able to access documents which are locked.

Q11: For projects with include OPWDD units funded by OPWDD ISH funds, should the OPWDD Housing Services Agreement provided by OPWDD be used or the HCR OPWDD Housing Services Agreement?

A: The OPWDD Housing Services provided by OPWDD can be used.

Q12: If the current option agreement expires in March 2026 with a 12-month option to renew, does the renewal option have to be exercised prior to application submission or is the evidence of the renewal via the option agreement sufficient?

A: The Threshold Programmatic requirement states the following: *Evidence of site control: must be valid through the **later of** the proposed construction financing closing date, or at least 6 months **beyond** the funding round application deadline (emphasis added).* Please also refer to the 2025 9% LIHTC Presentation (<https://hcr.ny.gov/2025-multifamily-finance-9-lihtc>) for an estimated 2025 9% LIHTC RFP award announcement date to ensure the above standard is met. The documentation provided in the 9% Project Detail Application must allow reviewers to determine whether the above Threshold Programmatic requirement has been met. Depending on the proposed construction financing closing date, it may be necessary for the additional 12-month term to be exercised in order for reviewers to determine the Threshold Programmatic requirement has been met.

Term Sheets:

Q1: Would 20% AMI units be included in the calculation of the SLIHC per project maximum award of up to \$1m for projects with at least 10% of units targeted to households with an income limit at 30% AMI?

A: Yes, the 20% AMI units would be included in the calculation of at least 10% of units targeted to households with an income limit at 30% AMI.

RFP:

Q1: HCR's SLIHC Transfer Information document advises that "applicants must identify the proposed use of SLIHC Transfer at the time of application and in the investor Letter of Intent, that the project intends to use SLIHC Transfer." What specific language does HCR require in the investor Letter of Intent?

A: The SLIHC LOI must acknowledge the project intends to utilize SLIHC transfer and Exhibit B-1: HCR Multifamily Finance 9% Programs must also indicate SLIHC transfer (line 44).