

**Inwood 9<sup>th</sup> Avenue RFP Addendum**  
RFP Issue Date: October 9, 2024  
Pre-submission Conference Date: November 7, 2024  
Addendum 1 Issue Date: November 27, 2024  
Addendum 2 Issue Date: December 18, 2024

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**Contents of the Addendum**

- A. Questions and Answers** — Enclosed are questions and answers that were sent to the RFP email address between the dates of November 27, 2024, to December 17, 2024.

**A. Questions and Answers**

**Finance**

- 1. Can HPD please confirm the HDC Bond Issuance Charge?**  
Respondents should assume a Bond Issuance Charge of 0.35% for loans greater than \$20 million and 0% for loans of \$20 million or less.
- 2. Appendix D does not include a deferred rate for HDC subsidy. Can HPD please confirm whether a deferred rate should be assumed for HDC subsidy?**  
During construction, the deferred interest for HDC subsidy should be assumed at 3.25%. After permanent conversion, zero deferred interest shall be assumed for HDC subsidy.
- 3. Will HPD consider responses with budgets which have financing gaps? Or are respondents expected to submit balanced budgets?**  
Respondents may choose whether to submit a budget showing a financing gap or a balanced budget. Additionally, as noted in Addendum #1, HPD acknowledges that Projects may need subsidy over term sheet limits in the current cost environment. Respondents should show the additional subsidy amount needed in underwriting models and financial assumptions.
- 4. The HDC M&O standards call for a 0.25% servicing fee on the senior permanent loan; Appendix D requires an underwritten all-in interest rate of 5.90% on permanent HDC bonds. Does this bring the 0.25% servicing fee in addition to the 5.90% interest rate, to a total perm rate of 6.15%?**  
No, the HDC servicing fee is now separated from the interest rate stack. The total permanent interest rate for HDC Long-term Bonds should be 5.90%, consisting of a 5.40% base rate plus a 0.50% MIP cost. The 0.25% HDC servicing fee (on the par amount of the loan) should be shown as a cost item in the M&O tab but not part of the rate stack in the Mortgage tab. In the Cash Flow Tab, this 0.25% servicing fee should not inflate year-over-year, unlike other M&O costs.
- 5. In Appendix D, it calls for a 5.90% all in rate for the permanent HDC long term bonds, but the starred footnote at the bottom of the chart calls for a 5.50% base rate + 0.50% MIP. Summing these two rates results in a 6.0% all-in rate, rather than a 5.90% all-in rate. Please let us know which rate should be used for the RFP submission.**  
The footnote is in error and should read: \*\*5.90% all-in: 5.40% base rate + 0.50% MIP

### Zoning

6. **When asked if we can straighten the water's edge and rationalize the Site, HPD advised not to for the purpose of this RFP. NYS DEC allow for modifications of existing shoreline in conformance with regulations. The shoreline would need to be evaluated for any necessary modifications to ensure address erosion, flooding, sediment transport, and any impacts that may need to be addressed for a publicly accessible waterfront. Moreover, WEDG guidelines, a widely accepted NYC tool, encourages design to ensure structural integrity and sustainability while maximizing environmental and community benefits. Does HPD still hold that we do not modify the shoreline?**

As stated in the RFP, this is a waterfront site. Proposals may also be subject to other State and Federal permitting requirements. It is understood that some amount of shoreline alteration will be required as part of site development and waterfront access improvements. Therefore, the Developer will have to comply with all necessary requirements, including, but not limited to, NYS DEC regulations.

7. **When asked if development can be extended construction to the legal lot line that extends into the Harlem River, HPD advised teams not to assume development over the water. In spirit of RFP and CVR, in order to maximize the waterfront and public amenities, construction into the water that is in line with DEC regulations would yield best results for the RFP; the CVR indicated water-based STEM as a potential use and construction into the water and modification of the shoreline would yield best use. Will HPD consider construction over the water in line with DEC regulations?**

Any development along or over regulated tidal waters and tidal-adjacent land will need to comply with applicable State and Federal regulations. Respondents should clearly distinguish between any proposed water-dependent developments, and other in- or over-water development that would require discretionary approval from NYS DEC or other State or Federal regulatory entities.

8. **Would the easement survive any transfer of the lots from the City to the winning development team, and thereby give the team an opportunity to establish a new relationship with Charter/Spectrum to modify the existing easement to allow for pedestrian access?**

As stated in Addendum 1 question 32, the details of the Easement Agreement are recorded at CRFN 202200007247. Additionally, as stated in the RFP, the site will be disposed of in its "as is" condition. Please do not assume any changes to the easement for purposes of your RFP response.

