

## **M/WBE RFP Round 2 Addendum**

RFP Issue Date: April 22, 2021

Pre-submission Conference Date: May 14, 2021

Addendum 1 Issue Date: June 8, 2021

Addendum 2 Issue Date: July 16, 2021

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### **Contents of the Addendum**

- A. Questions and Answers** – Enclosed are questions sent to the RFP email address.

### Development Team Questions

**1. Does HPD have specific guidance on how it defines a "commensurate economic interest" of the project that is owned by the M/WBE? If another party (not the M/WBE) puts up guarantees for the lenders or predevelopment expenses, could that be reflected in the arrangement with the M/WBE, so that the split could be adjusted to reflect the value of guarantees?**

HPD does not have specific guidance on this, the Respondent should propose and justify the commensurate economic interest as being compliant with the requirement and HPD will evaluate the response.

**2. Is it okay for management companies to be included on more than one RFP if they are acting just as a management company and not part of the ownership?**

Development Team members which have no ownership interest or stake in a Submission can be part of other Submissions.

**3. The RFP says on pg 21 that "At a minimum, the Development Team responding to this Request must include: architect; construction manager; real estate and land-use attorney, environmental planner; and engineer." Does that mean environmental engineer or MEP/Structural engineer?**

The Development Team must include one environmental consultant, this consultant can be an environmental planner or environmental engineer.

**4. Will our non-profit partner also need to execute forms E1, E2, and Form I Asset Statement?**

Form E-1 should be provided for all entities making up the Respondent.

Form E-2 should be provided for the property management company or a Principal of the Respondent with property management experience.

Form I should be provided for each Principal named for each entity making up the Respondent.

### Design and Zoning Questions

**5. Are there any existing surveys, environmental, or geotechnical reports available for the MWBE site located at 542 Dean Street?**

HPD does not have surveys, environmental, or geotechnical reports for the Sites.

### Financing Questions

**6. We are considering ELLA program to finance the development. Can the underwriting include a small # of PBV's (less than 11) to help subsidize the ELI and VLI rents?**

Respondents may propose PBVs; if assuming more than 8 PBVs, Respondents must assume prevailing wage on construction costs. Please note PBVs are considered a competitive source.

**7. Are we supposed to assume 9% LIHTC financing for both the Dean Street and Bergen Street sites? Should we assume 4% for Bergen Street since the site may be over 100 units?**

For the purposes of responding to this RFP, submissions for 516 Bergen Street can propose a financing scenario utilizing either a 4% or 9% LIHTC award. For the purposes of the RFP submission, 9% LIHTC would not be considered a competitive finding source. After selection, HPD would work with the Development team to refine project financing.

**8. Can you please advise on what funding you are referring to in the Addendum 1 response “For the purposes of this RFP, Respondents may make an HPD subsidy request for any unfunded portion of the parking?”**

For the purposes of this RFP, Respondents may make an HPD term sheet subsidy request for any unfunded portion of the parking. Respondents should not assume income from the parking.

**9. To the extent that we need additional subsidy for parking, we will highlight this request in the financing narrative. Is there something else we should be doing with respect to making this request?**

Respondents should show the cost and the gap the parking creates, if any, and provide strategies for filling this gap.