

## The Preservation Design Review Process

The [HPD Design Guidelines for Preservation](#) for Moderate Rehabilitation and for Substantial & Gut Rehabilitation are effective as of March 1, 2023, and apply to new projects through all of HPD's Preservation Loan Programs. Tax exemption only projects and projects with maintenance-only scopes do not follow the process below and should utilize the [FAQ](#) for guidance.

The development process includes the following steps:

1. [Integrated Physical Needs Assessment and Pre-Scoping Consultation](#)
2. [Scope of Work \(SOW\), Design Consultation \(DC\), and Determination of BLDS Review Track](#)
3. [BLDS Design Review](#)
4. [General Contractor \(GC\) Selection and Plan & Cost Review](#)
5. [Closing, Construction Monitoring, and Completion](#)

For a visualization of this process, [click here](#).

### Step 1: Integrated Physical Needs Assessment (IPNA) and Pre-Scoping Consultation

#### *Integrated Physical Needs Assessment*

Project Teams must obtain an IPNA and provide any additional engineering/structural reports referenced in the IPNA (supplemental reports are mandatory for Gut Rehabs and unoccupied Sub Rehabs). **IPNAs should be no older than two years from HPD PM assignment**; Project Teams should discuss any specific IPNA timing issues with HPD Program. All projects must retain a Registered Architect/Engineer to attend the Pre-Scoping Consultation and, subsequently, to develop the SOW.

#### *Preparing for the Pre-Scoping Consultation*

Before scoping begins, the Project Team will prepare for the Pre-Scoping Consultation by gathering the documents listed on the [BLDS Checklist](#). The project Architect/Engineer must conduct a site visit(s) to verify the content of IPNAs. **A Pre-Scoping will not be scheduled if the Architect/Engineer did not conduct a site visit.**

*Note:* for projects in the LIHTC Preservation (Year 15) or Multifamily Housing Rehabilitation Loan (HRP) Programs, where HPD is a lender, HPD may request any architect scope of

services proposals for preliminary review & potential comments before a signed contract is executed between the owner and architect.

When the Project Team is ready for Pre-Scoping, they should notify their PM, who will provide an HPD Project ID and initiate the process through [eBLDS](#), HPD's electronic document submission and review system. When prompted by eBLDS notifications, the Project Team will upload applicable items listed in the Checklist to box.com, for review by HPD. If teams have questions about eBLDS/box.com submissions, please email: [Gatekeeper.eBLDS@hpd.nyc.gov](mailto:Gatekeeper.eBLDS@hpd.nyc.gov)

The submission includes the [Preservation Design Guidelines Workbook](#); always use the most current version of the Workbook found online. Follow the instructions and submit all required items in the submission checklist, as incomplete submissions will cause delays. If a project is considering a Design Waiver, be sure to fill out the Design Waiver tab.

### *The Pre-Scoping Consultation & Rehab Classification Determination*

Once a complete submission has been received, the HPD PM will request to set up the Pre-Scoping Consultation with BLDS, which will include the owner/sponsor, Architect, MEP Engineer (optional), HPD Program, HPD BLDS, Resiliency (when applicable) and HPD Sustainability. The HPD PM will confirm all required parties' availability and forward the BLDS invitation to their Project Team. Consultations are scheduled on Tuesdays at 10AM or 12:30PM and on Thursdays at 10AM, though other dates may be available upon request.

The goals of the Pre-Scoping Consultation are to ensure that each project's rehab designation is classified appropriately and that the Project Team understands HPD's Design Guidelines and other requirements *prior* to design. Project Teams can ask questions, discuss Design Waivers and incentive opportunities like the [Resilient & Equitable Decarbonization Initiative \(REDi\)](#), and discuss any other concerns. After the meeting, Project Teams will receive feedback and guidance from HPD on their next steps.

## **Step 2: SOW, Design Consultation (DC), & Determination of BLDS Review Track**

### *Project Scoping and Design*

Following the Pre-Scoping Consultation, the Project Team will develop the SOW based on the IPNA, site inspection(s), Design Guidelines, and other requirements. During scoping, the Project Team must conduct a Solar Feasibility Analysis per [HPD's requirements](#). The SOW should include solar if deemed feasible by the analysis.

Projects seeking Design Waivers (e.g., for building electrification) should request them by submitting the [Workbook](#) with the Intake and Design Waivers Tabs to [sustainability@hpd.nyc.gov](mailto:sustainability@hpd.nyc.gov). The applicant will be notified if the Waiver has been approved, rejected, or if additional information is required. Design Waiver requests must be approved prior to the Design Consultation.

### *The Design Consultation & Review Pathway Determination*

When the Project Team is ready for the Design Consultation, i.e. there is a complete SOW or 100% Design Development (DD), they should notify their HPD PM and submit all required items in the [submission checklist](#). Incomplete submissions will cause delays. HPD BLDS will review the submission prior to the scheduling the Design Consultation, which the PM will also coordinate as for the Pre-Scoping.

The goals of the Design Consultation are to discuss challenging elements of the SOW and to provide the Project Team and HPD an opportunity to ask any questions as the design is finalized.

After the Design Consultation, HPD will circulate feedback in the Design Consultation Memo, which will include a determination of the project's BLDS Review Track:

#### *For Moderate Rehabs:*

- Expedited Track: No BLDS review required
- Limited Scope of Work Review\*

#### *For Substantial & Gut Rehabs:*

- Expedited Track: No BLDS review required
- Design Development (DD) Review: includes Layouts and Accessibility\*
- Construction Documents (CD) Review: includes MEP, Structural, & Fire Safety
- Full Review: Design Development (DD) + Construction Documents (CD) Review\*

\* BLDS' review for any of the starred tracks above will include an Accessibility review, as applicable to the scope. However, Project Teams may opt to hire a third-party Accessibility Consultant in lieu of BLDS' review of Accessibility by indicating so in a signed and notarized [Pre-Construction Accessibility Statement](#) (to be submitted as part of the submission package).

To be considered for the Expedited Track, projects must meet, at minimum, *all* criteria below:

- Architect has recent experience with HPD (defined as having worked on at least one HPD-financed Preservation project that received BLDS design acceptance within the last three years)

- Project does not include new horizontal or vertical enlargement
- Project does not include use changes
- Design team includes an Accessibility Consultant, for projects that trigger 504 compliance beyond fixture/equipment replacement only (e.g., removal of walls in kitchens/bathrooms and other design layout changes, egress changes, etc.)
- Scope does not include significant structural work and/or significant fire-safety work
- No major qualitative issues with submitted compliance and design documents

*Note:* HPD retains discretion on additional criteria that could trigger BLDS Review.

Projects that have been selected for the Expedited Track will receive BLDS Design Acceptance either: 1) immediately following the consultation, or 2) upon resubmitting updated documents that address HPD comments within a discussed timeframe. It will remain the Project Team's responsibility to ensure that the buildings' design and construction comply with all laws, rules, regulations, and codes mandated by city, state, and federal authorities having jurisdiction, including HPD's Design Guidelines. If all HPD concerns have been addressed, no further design submission will be necessary to BLDS.

### **Step 3: BLDS Design Review**

When the submission is nearly ready, notify the PM to initiate the review process in eBLDS, which ideally will not exceed three rounds. Once the project has addressed all comments, BLDS will issue an Acceptance, and the project may proceed to the next step. Project teams will submit all items from the applicable BLDS Design Review Checklist(s), according to the Review Track assigned:

For [Mod projects](#); documents should be final SOW and 100% DDs as needed.

For [Substantial & Guts Rehabs projects](#); documents should be at:

- *100% DDs for Design Review (Layouts & Accessibility)*
- *75% CDs for Construction Docs Review (Mechanical, Fire & Structural)*

A **Full Design Review** includes a DD Review, which may include layouts and Accessibility compliance, followed by a CD Review, which may include the review of structural, MEP, and/or fire safety systems. Typically, the CD Review can only begin upon DD Review Acceptance or when the DD Review is substantially complete (i.e., no additional layout changes). Note that separate submissions are required for DD and CD Reviews.

A **Targeted Design Review** will include *either* a DD Review *or* a CD Review, depending on the project’s scope.

Regardless of the review track, Project Teams bear the responsibility of ensuring compliance with all laws, rules, regulations, and codes mandated by city, state, and federal authorities having jurisdiction

*Green Building Certification*

Sub/Gut Rehab projects must certify with either LEED Gold or the current version of the NYC Overlay of [Enterprise Green Communities \(EGC\)](#). In multi-building projects, only buildings classified as Sub/Gut Rehabs must pursue EGC Certification. HPD encourages all buildings in the project to design to EGC Certification to the extent feasible, even when not required to do so.

*Note:* HPD’s classification parameters are different from EGC’s. Review EGC’s classifications on their [webpage](#) and the table below for clarification:

	Project Classification			
HPD	New Construction	Gut Rehab	Substantial Rehab	Moderate Rehab
EGC	New Construction	Substantial Rehab	Moderate Rehab	-

*Note: HPD Gut Rehab are usually classified as EGC Substantial Rehab, and HPD Substantial Rehabs are usually classified as EGC Moderate Rehab. However refer to the full description to determine the exact classification of your project.*

*DOB Approvals*

HPD recommends filing at DOB, a separate process, *after* the initial Pre-Scoping Consultation with HPD. When filing, Project Teams are strongly encouraged to file their jobs at DOB’s [Development Hub](#). This streamlines the process and ensures that HPD projects can receive additional assistance. Teams may request a [Hub Consultation Request](#) to determine the best filing strategy for their project.

## **Step 4: GC Selection and Plan & Cost Review**

### *GC Selection*

Preservation projects must work with a General Contractor (GC). HPD recommends but does not require a minimum of three bids (Mitchell-Lama projects still require three bids). The Project Team will submit the preferred bid for Plan & Cost review and communicate with their reviewer regarding next steps. The [Enhanced Contractor Review](#), if applicable, begins after GC selection. Borrowers should familiarize themselves with this process before bidding begins and let their HPD PM know if a bidding or sole-sourced GC is identified as part of this list.

### *Plan & Cost Review*

Every project will go through a Plan & Cost Review after receiving their BLDS Acceptance. Project teams will work with their Plan & Cost reviewer to submit applicable documents.

## **Step 5: Closing, Construction Monitoring, & Completion**

To reach Closing, Project Teams will work closely with their PM to finalize and submit all regulatory and financial documents. For HPD Sustainability requirements, projects will need to comply with [HPD Benchmarking](#) (applicable to projects receiving City capital) and, if applicable, REDi:EB items required for the final Incentive Letter.

HPD Sustainability requires a final Workbook (Milestone #4) submission for archival purposes prior to Closing. Project Teams can submit their certified Workbook after the Design Consultation. If any changes occur, the Team will resubmit updated documents.

### *Construction Monitoring*

To initiate construction, the Project Team submits the BLDS Construction Monitoring Checklist items to their PM, who schedules a construction monitoring kickoff with the team, Lender, and HPD's BLDS and Conversions teams, if applicable, which sets the parameters for construction monitoring. There are two monitoring entities: the Lender will provide primary monitoring, including administering all requisitions requests, and BLDS will conduct secondary monitoring focusing on site safety and scope of work compliance. If issues arise during construction, Project Teams should communicate with the Lender, the assigned BLDS construction monitor (CPM), HPD PM, and the Conversions team.

To contact BLDS: [BLDS\\_CSRequest.hpd.nyc.gov](https://blds_csrequest.hpd.nyc.gov)

## *Marketing*

HPD's Marketing process refers to the leasing and tenant selection process that HPD-assisted projects must comply with. Typically, the Marketing process begins 7-9 months prior to anticipated occupancy. The Borrower should reach out to HPD Marketing, [NYC\\_MKTG\\_NOI@hpd.nyc.gov](mailto:NYC_MKTG_NOI@hpd.nyc.gov) to schedule a Marketing kickoff meeting, to determine a compliance pathway. See more information about [HPD Marketing here](#).

## *Conversion*

During construction, Project Teams will gather documents for permanent loan conversion. There is variation across HPD Programs in regard to conversions and Teams will be notified of their applicable process. For HPD Sustainability requirements, submit all documents required for EGC, Benchmarking, and REDI:EB, as applicable. Provide digital copies of manuals required by the Design Guidelines. To convert, the Borrower must clear violations and pay outstanding arrears. Once conversion has taken place, the project will move to HPD's Office of Asset and Property Management (APM) for oversight during the lifespan of the regulatory agreement.