

**The New York City Housing Authority
And
The New York City Department of Housing Preservation
and Development**

**Affordable Housing for
Next Generation NYCHA Sites
in the Bronx and Brooklyn**

Request for Proposals

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I. INTRODUCTION

In May 2014, Mayor de Blasio released *Housing New York, A Five Borough, Ten Year Plan* (“Housing New York”). *Housing New York* establishes a goal of building or preserving 200,000 affordable units over ten years. Among the key strategies articulated in *Housing New York* are objectives to foster diverse, thriving neighborhoods and build new affordable housing for all New Yorkers.

In May 2015, The New York City Housing Authority (“NYCHA”) released *NextGeneration NYCHA*, a 10-year roadmap which builds upon investments the City has already made and lays out a new framework to stabilize NYCHA, preserve the crucial affordable housing NYCHA provides for future generations, and deliver a long-deserved improvement in quality of life to residents. By implementing the strategies of *NextGeneration NYCHA*, the Authority will generate annual operating surpluses totaling more than \$230 million over 10 years. This is in stark contrast to the overwhelming deficit of approximately \$2.5 billion that would accrue over the same time period if no action were taken.

One of the strategies outlined in *NextGeneration NYCHA* is for NYCHA to provide underused NYCHA-owned land to support the creation of affordable housing units. This strategy will allow NYCHA to contribute to the creation of 10,000 affordable units over ten years towards the Mayor’s *Housing New York* Plan. All new development activity will involve a transparent resident engagement process and will bring improved amenities for existing residents, as well as opportunities for new affordable housing, including for seniors.

NYCHA and the New York City Department of Housing Preservation and Development (“HPD”) are pleased to release this Request for Proposals (“RFP”) for three Project sites as a first step towards achieving these goals, and to help realize the visions set forth in *Housing New York* and *NextGeneration NYCHA*.

A. Request for Proposals

NYCHA and HPD invite developers (“Applicants”) to submit development proposals (“Proposals”) for the design, financing, construction and operation of affordable housing developments (collectively, the “Projects”) on three sites, one located in the Bronx and two in Brooklyn (“Development Site(s)"). Developers may submit Proposals for one, two or three Projects.

The Projects outlined in this RFP are the result of an extensive participatory planning process with NYCHA residents that began in August 2014. Through community outreach and canvassing, community visioning workshops, and NYCHA resident engagement meetings, the Projects described throughout this document reflect community needs and neighborhood goals. The community visioning reports can be found online at on.nyc.gov/nextgeneration.

The Projects will be constructed on three sites at NYCHA-owned public housing developments:

THE BRONX

- Mill Brook Site, Mott Haven (southeast corner of St. Ann’s Avenue and East 137th Street)
Block 2548, part of Lot 1
Development Site Area: approximately 29,850 SF

BROOKLYN

- Ingersoll Site, Fort Greene (northwest corner of Myrtle Avenue and St. Edwards Street)
Block 2034, part of Lot 1
Development Site Area: approximately 11,500 SF
- Van Dyke Site, Brownsville (north side of Dumont Avenue between Mother Gaston Boulevard and Powell Street)
Block 3777, part of Lot 1
Development Site Area: approximately 36,000 SF

For each Development Site, NYCHA will provide a ground lease to the selected Developer with a term equal to the minimum required by any lender(s) or financing agency committing funding to a Project, at nominal ground rent of \$1.00/annum. City, State and/or Federal subsidies may be available and Applicants are responsible for securing all necessary construction and permanent financing. Proposals must comply with all terms and regulatory requirements of any subsidy program that is used.

Applicants must adhere to the requirements of this RFP. NYCHA and HPD will select Applicants for the three Development Sites based on the Threshold Requirements and Competitive Selection Criteria detailed in *Section VIII: Developer Selection Process*. A separate submission is required for each Project. Applicants are responsible for assembling a Development Team (as defined in *Section II*) and for undertaking the design, construction, marketing, and management of the residential units, and commercial and community facility or ancillary space, if applicable.

This RFP does not represent an obligation or agreement on the part of NYCHA or the City to the Applicants. Any obligation or agreement may only be incurred after NYCHA and the City enter into a written agreement with a Developer that has been approved by the NYCHA Board, HPD and the New York City Law Department.

A pre-submission conference will be held on **Friday, July 17, 2015, 10:00AM** at NYCHA, 250 Broadway, 12th Floor Board Room, New York, NY 10007. Every Applicant intending to submit a Proposal in response to this RFP is encouraged to attend as this will be the only opportunity to ask questions and receive answers in person regarding this RFP.

Proposals must be hand delivered by **Wednesday, September 30, 2015, no later than 4:00PM** to:

New York City Housing Authority
Department for Development
250 Broadway, 3rd Floor
New York, NY 10007
Attention: Burton Leon
NextGenNYCHARFP@nycha.nyc.gov

II. DEFINITIONS

Terms not otherwise defined in *Section I* are defined as follows:

Applicant

An individual, partnership, limited liability company, corporation, joint venture, or other entity that submits a Proposal in response to this RFP.

Area Median Income (AMI)

Area Median Income shall mean the median income levels as modified by household size for the New York metropolitan statistical area as determined by the Department of Housing and Urban Development (HUD.) For 2015, 100% of the AMI is \$86,300 for a family of four in the New York Metropolitan Statistical Area and \$60,500 for an individual person.

Authorized NYCHA Resident

Resident who is on the lease at a NYCHA Public Housing development. NYCHA's Office of Resident Economic Empowerment and Sustainability (REES) will confirm if a candidate is an Authorized NYCHA Resident.

Developer

The person(s), entity, or entities selected by NYCHA and HPD to commence negotiations regarding the development of the Sites offered through this RFP. The entity or entities will provide equity, secure financing, assemble a Development Team, design, develop, build, market, rent up, and manage the Projects. NYCHA and HPD reserve the right to designate one Developer for all three Sites, or any other combination deemed in the best interests of NYCHA and HPD.

Development Site or Sites(s)

The properties to be developed pursuant to this RFP, as shown in *Exhibit A*.

Development Team

The Developer and the professional, technical, and construction entities (e.g. general contractor, architect, engineer, legal counsel, marketing, and managing agents) that will participate in the design, development, construction, marketing, and/or management of the Projects.

Ground Lease

Long-term ground lease between NYCHA and the selected Developer for each Development Site.

HDC

New York City Housing Development Corporation

Negotiation Letter

The letter sent to the selected Developer(s) by NYCHA and HPD regarding the commencement of negotiations of a Project.

Principal

An individual, partnership, limited liability company, limited liability partnership, corporation, or other not-for-profit or for-profit entity that will act as the general partner, officer, or managing

member of the Applicant, or any entity, known limited partner, or other member that has at least a 10% ownership interest in the Applicant.

Project

The development of affordable housing, parking, community facility or accessory recreational space envisioned for the Development Site.

Proposal

Submission from Development Team in response to this RFP.

Section 3 or Equivalent Requirement for Resident Training and Employment

Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u and 24 CFR Part 135], represents HUD's policy to ensure that employment and other economic opportunities generated by HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons. Employment preferences under Section 3 are targeted first to Public Housing residents and, secondarily, to other low- and very-low income residents in the metropolitan area.

Section 18 Disposition Approval

Disposition, i.e., conveyance of a property interest in a Development Site, of Public Housing property requires HUD approval under Section 18 of the United States Housing Act of 1937p, as amended. HUD has promulgated regulations at 24 C.F.R. Part 970, detailing the administrative steps required for its approval of any demolition/disposition activity affecting covered public housing property. The Section 18 regulations may be found at:

http://www.hud.gov/offices/pih/centers/sac/demo_dispo/24cfr970.pdf

Uniform Land Use Review Process ("ULURP")

The process, set forth in the City Charter, prescribing the City's land use review process, including public hearings and several levels of government approvals. Actions requiring ULURP include, among others, changes to the City Map, designation or change of zoning districts, Special Permits within the New York City Zoning Resolution requiring approval of the City Planning Commission (CPC), and disposition of any City-owned property.

III. SITE DESCRIPTIONS AND PROGRAM REQUIREMENTS

A. Mill Brook Site, Mott Haven (The Bronx)

Neighborhood Context and Public Transportation

Located in the Mott Haven neighborhood, the Development Site and the surrounding area is zoned R6. The block to the north has a C1-4 commercial overlay along East 138th Street wrapping south along St. Ann's Avenue to the north side of East 137th Street. East 138th Street functions as the area's "Main Street".

The neighborhood immediately north and east of the Development Site consists primarily of four, five and six-story tenement buildings. Saint Mary's Park is four blocks north; the Department of Parks and Recreation's Mill Brook Playground (including basketball and handball courts) is on East 135th Street between St. Ann's and Cypress Avenues. The Mill Brook Community Center operated by East Side House Settlement is immediately across the street from the Development Site on St. Ann's Avenue. P.S. 43, grades Pre-k – 5 and the Mott Haven Academy Charter School, grades K-5, are located on Brown Place, two blocks east of the Development Site. The Bruckner Expressway runs along the southern boundary of Mill Brook Houses at 135th Street; the area south of the highway and farther east to the river are manufacturing zones.

The area is well served by public transportation. The 6 subway line stops at the Brook Avenue/East 138th Street station and the Cypress Avenue/East 138th Street station. The Bx17 bus line runs along East 135th Street, East 138th Street, and Saint Ann's Avenue. The Bx33 bus line runs along East 138th Street.

Neighborhood Demographics and Recent Construction Projects

According to the US Census, Community District 1's population rose by 18.5% from 1990 and 2010, to 91,497, but remains 34% below its peak population of 138,557 in 1970. The median household income is \$20,867, which is well below the median household income in the Bronx (\$34,388) and New York City (\$50,400).¹ In 2013, the average gross annual income of households at Mill Brook Houses was \$19,340, and at Mill Brook Extension was \$18,433.

Significant HPD-funded housing developments during this period have included the award winning 221-unit Via Verde complex and 1,311 newly constructed units within the District 1 portion of the Melrose Commons Urban Renewal Area (including The Orion, a 61-unit condo building and numerous owner-occupied small homes developed through HPD's Partnership, Nehemiah, New Foundations and Habitat Programs). Currently planned is the five-building, 993-unit La Central complex north of East 149th Street between Brook and Bergen Avenues.

¹ Source: 2010-2012 American Community Survey 3-Year Estimates

Location, Site Area, and Development Rights for Project

- The Development Site is located on the campus of Mill Brook Houses (1959) and Mill Brook Extension (1962). The campus consists of two superblocks containing ten 16-story buildings with a total of 1,377 apartments
- Site is a triangular -shaped parcel at the southeast corner of Saint Ann's Avenue and East 137th Street on block bounded by East 137th Street, St. Ann's Avenue, East 135th Street and Cypress Avenue
- Block 2548, part of Lot 1
- Bronx Community District 1
- Current use: NYCHA accessory parking lot
- Site Area: Approximately 29,850SF (See *Exhibit A* for site dimensions and context area)
- Total Zoning Floor Area available for Project: 110,000 SF
- The site is currently zoned R6, which allows for residential and community facilities including, but not limited to healthcare centers and childcare centers. Applicants are expected to submit an as-of-right proposal
- Prior to conveyance, the lot will be subdivided to create a separate tax lot on the same zoning lot; development rights necessary to achieve total zoning floor area of Project will be transferred and memorialized in a zoning lot development agreement (ZLDA).

Program Requirements and Preferences - Residential

- 100% affordable senior housing for households 62 years or older.
- All units in Proposal must be affordable to households earning no more than 60% of Area Median Income.
- Units must remain in the rent regulation system for the duration of the Project or as required by law, but in no case less than thirty (30) years. The Developer may submit a proposal to extend the affordability period for an additional number of years in Tab K – Financing Proposal (See *Section IX.H. Tab K*). Preference will be given to Proposals with a feasible plan.
- Proposals must include a primary financing scenario that does not include competitive financing sources from Federal, State or City Governments, including but not limited to HCR or HPD 9% Low Income Housing Tax Credits or any other competitive programs offered by HFA, HCR, or HPD. As-of-right 4% tax credits are not considered competitive.
- Proposals providing the deepest affordability with the least amount of subsidy will be rated favorably.
- Preference will be given to Proposals that affirmatively further fair housing. See http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_op/p/promotingfh

Additional Requirements and Preferences

- The first floor must contain a senior community facility center with a minimum of 6,200 SF to serve residents of the building and the surrounding community.
- Proposals must include a senior center operator and resident services plan for seniors. Neither HPD nor NYCHA will provide operating subsidy for the center.

- Parking: For the RFP submission, Applicants can assume no requirement of parking spaces for the Development Site.
- Developer will be required to rebuild 12 parking spaces for NYCHA resident use elsewhere on the Mill Brook campus.
- Street trees are required only along the frontages of the Development Site.
- Preference will be given to proposals that provide NYCHA with a competitive percentage of the developer fee proceeds.

B. Ingersoll Site, Fort Greene (Brooklyn)

Neighborhood Context and Public Transportation

Located in the Fort Greene neighborhood, the Development Site and surrounding area is zoned R6. Farther to the west near Flatbush Avenue property is zoned C6-4. Neighborhood retail is located on Myrtle Avenue, including a Red Apple supermarket, and additional shopping resources are available in downtown Brooklyn.

On the north side, the Development Site abuts the St. Michael and St. Edwards Catholic Church and Rectory. To the east and north of Ingersoll Houses are two other large public housing developments Whitman and Farragut Houses. New market-rate, high-rise, mixed-use buildings line the western end of Myrtle Avenue and Flatbush to the north and south. Commodore Barry Park, which has baseball fields, basketball courts, football fields, playgrounds, and an outdoor pool is a block north of the Development Site reached by walking underneath the Brooklyn-Queens Expressway. Fort Greene Park is across the street on the south side of Myrtle Avenue. The Ingersoll Community Center operated by University Settlement House is a block west on the north side of Myrtle Avenue at the intersection of Prince Street. The Walt Whitman branch of the Brooklyn Public Library, P.S. 67 for grades Pre-K – 5, and Community Roots Charter School for grades K-8, are located one block northeast of the Site on Saint Edwards Street.

The area is well served by public transportation. The B54 bus line runs along Myrtle Avenue and Park Avenue. The B38 runs along Dekalb Avenue. The B, D, N, Q, and R subway lines have a station at Dekalb Avenue and Flatbush Avenue Extension. The A, C, F, and R subway lines also stop at the Jay Street-Metro Tech station.

Neighborhood Demographics and Recent Construction Projects

According to the US Census, Community District 2's population rose by 1 percent from 2000 to 2010. There are currently 99,617 residents in the district. The median household income is \$71,754, which is significantly higher than median household incomes in Brooklyn (\$48,000) and New York City (\$50,400). In 2013, the average gross annual income of households at Ingersoll Houses was \$23,889.

Recent nearby development includes Navy Green, an HPD-funded new construction project near the Navy Green industrial park, which is approximately half a mile away from the proposed RFP site at Ingersoll. The Navy Green project includes three buildings with 312 units that provide low income rental and homeownership opportunities. Town homes with 23 homeownership units are also being developed as part of Navy Green. Two of the low-income rental buildings were completed in 2011 and 2012. The homeownership buildings are projected to be completed in 2016. Another notable HPD-

subsidized project in the area is BAM North Site within the Downtown Brooklyn Cultural District. North Site I is a multifamily mixed income project that will provide 586 rental units. These units will be completed late 2016. North Site II is another multifamily mixed-use project with 123 units that will begin construction this year. Both projects will provide ground-floor retail and community facility cultural spaces that would complement arts and other cultural uses in the area.

Location, Site Area, and Development Rights for Project

- The Development Site is located on the campus of Ingersoll Houses (1944). The campus consists of two superblocks containing 20 buildings, ranging in height from six to 11 stories with a total of 1,826 apartments.
- Site is a square-shaped lot at the intersection of St. Edwards Street and Myrtle Avenue
- Block 2034, part of Lot 1
- Brooklyn Community District 2
Current use: Fenced area with grass and mature trees
- Site Area: Approximately 11,500 SF (See *Exhibit A* for site dimensions and context area)
- Total Zoning Floor Area Available for Project: Approximately 104,000 SF
- Prior to conveyance, the lot will be subdivided to create a separate tax lot on the same zoning lot; development rights necessary to achieve total zoning floor area of Project will be transferred and memorialized in a zoning lot development agreement (ZLDA).
- The site is currently zoned R6, which allows for residential and community facilities including, but not limited to healthcare centers and childcare centers.

Program Requirements and Preferences - Residential

- 100% affordable senior housing for households 62 years or older
- All units in Proposal must be affordable to senior households earning no more than 60% of Area Median Income.
- Units must remain in the rent regulation system for the duration of the Project or as required by law, but in no case less than thirty (30) years. The Developer may submit a proposal to extend the affordability period for an additional number of years in Tab K – Financing Proposal (See *Section IX.H. Tab K*). Preference will be given to Proposals with a feasible plan.
- Proposals must include a primary financing scenario that does not include competitive financing sources from Federal, State or City Governments, including but not limited to HCR or HPD 9% Low Income Housing Tax Credits or any other competitive programs offered by HFA, HCR, or HPD. As-of-right 4% tax credits are not considered competitive.
- Proposals providing the deepest affordability with the least amount of subsidy will be rated favorably.
- Preference will be given to Proposals that affirmatively further fair housing. See http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_op/promotingfh

Additional Requirements and Preferences

- Proposals must include an accessory community room on the first floor for residents and the surrounding NYCHA community.
- Sky Exposure Plane: For the RFP submission, Applicants can assume design flexibility through certain height and setback modifications to achieve a more economical building envelope.
- Parking: For the RFP submission, applicants can assume no requirement of parking spaces for the Development Site.
- Street trees are required only along the frontages of the Development Site.
- Preference will be given to proposals that provide NYCHA with a competitive percentage of the developer fee proceeds.

C. Van Dyke Site, Brownsville (Brooklyn)

Neighborhood Context and Public Transportation

Located in the Brownsville neighborhood, the Development Site and the surrounding area is zoned R6 and contains the largest agglomeration of public housing in Brooklyn. There is a light manufacturing zone one block to the east (M1-1) which also functions as a neighborhood boundary reinforced by Long Island Rail Road lines which block access to Van Sinderen Avenue from the west. The elevated subway line (3 Train) on Livonia Avenue also functions as a barrier to the south, an area consisting of mostly vacant lots, two-story single-family homes and tenement buildings. Pitkin Avenue, located four blocks north is the main commercial corridor in the area, primarily zoned C4-3 or R6 with a C2-3 overlay.

The Department of Parks and Recreation's Van Dyke Playground including basketball and handball courts is immediately across the street from the Development Site on the south side of Dumont Avenue. Betsy Head Park (10.55 acres) is five blocks to the east; the park contains basketball and handball courts, an outdoor swimming pool, an indoor recreation center and other amenities. The Van Dyke Community Center operated by Medgar Evers College, is on the same block as the Development Site, fronting Blake Avenue. The Stone Street branch of the Brooklyn Public Library is on the southeast corner of Mother Gaston Boulevard and Dumont Avenue. Several schools are located near the Site, including P.S. 284, grades Pre-K – 8, and Leadership Prep Brownsville Charter School, grades K – 5, on Osborne Street; and P.S. 150, grades K-5, and Brownsville Collegiate Charter School, grades 5-8, on Sackman Street.

The area is well served by public transportation. The L subway line stops at the Sutter Avenue/Van Sinderen Avenue station and the Livonia Avenue/Van Sinderen Avenue station. The 2, 3, 4, and 5 subway lines stop at the Junius Street/Livonia Avenue station and the Rockaway Avenue/Livonia Avenue station. The B14 bus line runs along Dumont Avenue, Mother Gaston Boulevard, Powell Street, and Sutter Avenue. The B60 bus line runs along Rockaway Avenue.

Neighborhood Demographics and Recent Construction Projects

According to the US Census, Community District 16's population rose by 1.3% from 2000 to 2010. Today, approximately 86,468 people reside in the district. The median household income is \$25,774, which is well below the median household income in Brooklyn (\$48,000) and New York City (\$50,400). In 2013, the average gross annual income of households at Van Dyke I Houses was \$22,314 and Van Dyke II Houses (senior housing) was \$14,132.

Currently planned at Van Dyke Houses is a 101-unit housing development to be developed by CAMBA Housing Ventures on Mother Gaston Boulevard, south of Dumont Avenue. The project will feature office space and a social services clinic on site. Prospect Plaza is a three-phased redevelopment project for low-income rental units. The completion of all three phases would generate approximately 364 dwelling units. Phase I will be completed later this year in December; Phase II will be completed in early 2017 and Phase III is expected to close December 2015. Additionally, Riverway Apartments is a senior housing project with approximately 115 units that was completed in early 2013.

Location, Site Area, and Development Rights for Project

- The Development Site is located on the campus of Van Dyke I Houses (1955) and Van Dyke II Houses (1964). The campus consists of three superblocks containing 23 buildings, ranging in height from three to fourteen stories with a total of 1,714 apartments.
- The rectangular lot is on the north side of Dumont Avenue between Mother Gaston Boulevard and Powell Street
- Block 3777, part of Lot 1
- Brooklyn Community District 16
- Current Use: NYCHA accessory parking lots and consolidated garbage storage area
- Site Area: Approximately 36,000 SF (See *Exhibit A* for site dimensions and context area)
- Total Zoning Floor Area Available for Project: Approximately 191,500 SF
- The site is currently zoned R6, which allows for residential and community facilities including, but not limited to healthcare centers and childcare centers. Applicants are expected to submit an as-of-right proposal.
- Prior to conveyance, the lot will be subdivided to create a separate tax lot on the same zoning lot; development rights necessary to achieve total zoning floor area of Project will be transferred and memorialized in a zoning lot development agreement (ZLDA).

Program Requirements and Preferences- Residential

- 100% affordable residential rental building.
- All units in Proposal must be affordable to households earning no more than 60% of Area Median Income.
- Units must remain in the rent regulation system for the duration of the Project or as required by law, but in no case less than thirty (30) years. The Developer may submit a proposal to extend the affordability period for an additional number of years in Tab

K – Financing Proposal (See *Section IX.H. Tab K*). Preference will be given to Proposals with a feasible plan.

- Proposals must include a primary financing scenario that does not include competitive financing sources from Federal, State or City Governments, including but not limited to HCR or HPD 9% Low Income Housing Tax Credits or any other competitive programs offered by HFA, HCR, or HPD. As-of-right 4% tax credits are not considered competitive.
- Proposals providing the deepest affordability with the least amount of subsidy will be rated favorably.
- Preference will be given to Proposals that affirmatively further fair housing. See http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_op/p/promotingfh

Additional Requirements and Preferences

- Parking: For the RFP submission, Applicants can assume no requirement of parking spaces for the Development Site.
- Street trees are required only along the frontage of the Development Site.
- Developer will be required to remove the trash consolidation area and replace screened area and trash compactor at a nearby site to be determined after selection.
- Preference will be given to proposals that provide NYCHA with a competitive percentage of the developer fee proceeds.

IV. GUIDELINES

A. Design Guidelines

Proposals should aspire to design excellence and standards reflecting the City's interest in quality architectural projects. Proposals must also conform to HPD Design Guidelines for New Construction, included within *Exhibit C*, as well as the current New York City Zoning Resolution, the New York City Construction Codes, the New York City Housing Maintenance Code, the Multiple Dwelling Law, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and Accessibility Requirements. See *Section VII.G, Accessibility* for additional information. To augment HPD design guidelines that focus on building interior layout, additional NYCHA guidelines address project site planning and relationship of proposed building with existing NYCHA buildings and ground improvements (See *Exhibit D*).

1. Enterprise Green Communities

The goal of green building is to reduce the negative impact buildings have on the health of the environment. Proposals must achieve Certification through the Enterprise Green Communities Program, which is a comprehensive green building framework for affordable housing that provides cost-effective standards for creating healthy and energy-efficient homes. Enterprise Green Communities offers an online certification process for affordable housing developments built using these criteria. All new construction and substantial rehabilitation projects receiving funding from HPD are required to comply with the 2011 Enterprise Green Communities Criteria Certification Overlay for NYC HPD Projects. The Overlay can be found in *Exhibit B*. Detailed instructions on using the HPD Overlay can be found at:

<http://www1.nyc.gov/site/hpd/developers/green-building.page>

In addition to the documentation requirements of the Green Communities Program, the designated Developer will be required to periodically provide budgets that identify project costs specifically related to green design, energy efficiency measures and building operations, upon HPD's request.

2. Active Design Guidelines

The goal of active design is to create a healthy indoor and outdoor environment for occupants through integrated design, best practices and emerging technologies. HPD encourages the development of active design, which uses architectural and urban design strategies to promote public health and increase physical activity in daily life. Active Design Guidelines can be found at:

http://www.nyc.gov/html/ddc/html/design/active_design.shtml

V. OBLIGATIONS OF THE SELECTED DEVELOPER

A. Development Team

The Developer will be responsible for assembling a Development Team, including at a minimum, a general and contractor(s), architect/planner, marketing agent, and managing agent (if applicable). The Development Team will design, construct, and lease the completed units. Third-party consultants will not be considered members of the Development Team.

B. Schedule

The Developer will be responsible for arranging timely commencement and completion of the Project, will be held accountable for the schedules outlined in the Proposal and agreed upon with NYCHA and HPD, and will be required to submit ongoing status reports regarding Project development, financing, marketing, leasing, and management.

C. Community Outreach

The Developer will participate in required public forums, hearings, and briefings with NYCHA Residents, the Community Board, elected officials, City agencies, and other organizations, as needed.

The Developer is expected to lend support to NextGen NYCHA's proactive resident engagement framework in keeping residents abreast of development and programs to build safe and connected communities with resources for education, workforce development, health and wellness, as well as environmental sustainability.

D. Design

Within six (6) months of selection the Developer must complete a set of schematic site plans, floor plans, and elevations that include any modifications to the original plans included in the Proposal in response to this RFP, as agreed upon by NYCHA and HPD and the Developer, and submit them to NYCHA and HPD for review and approval. Prior to disposition, the Developer must submit a complete set of final site plans, floor plans, elevations, samples of exterior building materials, and detailed specifications to NYCHA and HPD for review.

E. Environmental Documents and Review

The Developer will be responsible for preparing and submitting an Environmental Assessment Statement (EAS) in accordance with the guidelines contained in the latest edition of City Environmental Quality Review (CEQR) Technical Manual, including an EAS form, graphics and technical assessments and appendices, as well as a National Environmental Policy Act ("NEPA") Environmental Assessment (EA) necessary to complete the federal Section 18 disposition application for HUD.

It is anticipated NYCHA will serve as the lead agency for the CEQR environmental review and HPD will serve as the Responsible Entity under 24 CFR Part 58 to certify compliance with NEPA regulations. The Developer will be responsible for retaining a reputable environmental consultant, preparing and submitting all environmental documents, and funding the cost of the studies and analyses required for completion of CEQR and NEPA. If applicable, the CEQR assessment will consider discretionary land use approvals,

including the ULURP approvals described below. The Developer will be solely responsible for any mitigation measures identified as a result of the CEQR and NEPA reviews.

In addition, the Developer will be responsible for preparing associated environmental studies which could include, but are not limited to Phase I and Phase II Environmental Site Assessments (ESA), Phase IA and IB archaeological assessments and noise/acoustical studies. The Developer will be responsible for implementing any remedial measures identified in connection with the redevelopment of the Development Sites as determined by NYCHA and HPD. NYCHA and HPD do not make any representation or warranty whatsoever regarding the condition of the Development Sites or their suitability for the uses contemplated by this RFP.

F. Public Land Use Approvals

If applicable, NYCHA will be the co-applicant for the Developer's Uniform Land Use Review Procedure (ULURP) application, providing assistance to the Developer in preparing the land use application and supporting documentation for Ingersoll. Anticipated land use actions requiring approval under ULURP for development of the Development Site may include height and set-back modifications. No ULURP action is required in connection with the disposition and ground lease of NYCHA-owned Sites.

Disposition of the NYCHA Development Sites is subject to HUD approval pursuant to Section 18 of the U.S. Housing Act of 1937, as amended, and disposition regulations in 24 CFR Part 970, and all other applicable laws and regulations. Lease of the Sites will be subject to lease terms requiring that the Sites be developed, operated and maintained in accordance with the purposes outlined herein and upon which HUD's approval of such dispositions will be conditioned. Development Sites may also be subject to other first priority use restrictions or affordability requirements.

Applicants should be advised that their development timeline should take into account the period required for the ULURP application to be certified and approved and the Section 18 application to be prepared and submitted to HUD. NYCHA and HPD design approval, ULURP (including certification, if applicable) and the Section 18 application approval process may take at least one (1) year from commencement of the Negotiation Letter. In addition, the Developer may be required to alter the design Proposal before and during the ULURP process to comply with any request for modifications.

G. Equity and Financing

The Developer must provide an equity contribution in the form of cash and/or payment of predevelopment costs, secure necessary construction and permanent financing, provide guarantees if required, and meet any other terms and conditions as required by NYCHA and HPD, other lenders, and/or investors. For more on Financing, see *Section VI. Financing Information and Conditions*.

H. Taxes

Developer is solely responsible for paying all transfer and recording taxes associated with project financing, conveyance of the Site or any required municipal approvals.

I. Marketing, Sales and/or Leasing

Marketing and rent-up of the rental, commercial, if applicable, and community facility, if applicable, is the sole responsibility of the Development Team. In carrying out these functions, the Developer must comply with HPD, HDC and NYCHA marketing requirements, which are designed to ensure that the availability of the rental units are disseminated as widely and fairly as possible. The HPD-HDC Marketing Guidelines are stated in *Exhibit F*, and will be part of the Regulatory and Operating Agreement that the Developer will execute. The marketing requirements will be part of an approved Marketing Agreement the Developer will execute with NYCHA at construction closing. The marketing of the units will be monitored by HDC/HPD/NYCHA staff to ensure compliance with these requirements.

Rents of the units projected in the Proposal are to be proposed by the Developer in accordance with NYCHA and HPD (*See Section III. Site Descriptions and Program Requirements*).

Subject to any tenant income tiers agreed to by HPD, NYCHA and the Developer in connection with developing operating budgets for the Proposed Development, the tenant preferences for the dwelling units are as follows:

1. NYCHA Preference: At the time of lease-up, current NYCHA households and households on the waitlist for Conventional Public Housing and Section 8 Housing will have preference for 25% of the marketed affordable units.
2. Community Board Preference: Current residents of the Project's Community District in the Borough at the time of lease-up will have preference for 50% of the marketed affordable units.

J. Maintenance and Operations

The Developer will be responsible for submitting maintenance and operations costs and data to NYCHA and HPD, upon request.

VI. FINANCING INFORMATION AND CONDITIONS

A. Site Disposition

Disposition of each Development Site to the Developer will be subject to the following:

- Receipt of HUD approval as required by Section 18 and its implementing regulations
- Receipt of all public approvals required for disposition of the Development Site and development of the proposed Project on such Development Site, including without limitation, approval by HUD and the NYCHA Board.
- Execution and delivery of the documents necessary to complete the disposition process within a time period specified by NYCHA and HPD.
- The Development Site will be conveyed via a long term ground lease in accordance with the terms of the HUD disposition approval, the NYCHA Board authorization and will be conveyed in “as is” condition, including without limitation, all environmental conditions and hazards.
- The simultaneous closing of a bona fide construction loan required to finance the full development of the Development Site.
- Upon conveyance, the Developer will pay a nominal disposition fee of \$1.00 per lot and will deliver an enforcement note and mortgage to NYCHA in the amount equal to the appraised value of the land.
- NYCHA, with the assistance of the Developer, will initiate and pursue application to HUD seeking HUD approval of the disposition of the Disposition Site. Developer will furnish, at its own cost and expense, reports and documents including survey, appraisal and environmental assessment reports and studies as required by NYCHA for each of the applications. NYCHA will seek all environmental clearance through HPD, which acts as NYCHA’s Responsible Entity in accord with 24 CFR Part 58.

B. Developer Fee

The Developer will be eligible to receive a Developer Fee up to the amount(s) permitted under the HPD Qualified Allocation Plan limitations. Preference will be given to proposals that offer NYCHA a shared portion of the Developer Fee.

C. Financing

It is the responsibility of the Developer to obtain construction and permanent financing from lenders in amounts consistent with the Proposal. Developers may use different lenders for construction and permanent financing. The amount of the Developer’s equity will be determined by the lender(s). The Developer will be required to submit a financing commitment or equivalent letter of intent from a lender indicating willingness to lend an amount for construction financing of the Project within a period of time to be specified in a Negotiation Letter executed upon the selection of the Developer.

Proposals must include a primary financing scenario that does not require competitive financing from Federal, State or City governments such as HCR or HPD 9% Low Income Housing Tax Credits. “As-of-right” 4% low-income tax credits associated with any tax-exempt bond financing are not considered competitive.

Proposals must comply with all terms of any HPD subsidy program utilized. Please refer to <http://www1.nyc.gov/site/hpd/developers/term-sheets.page> for further information and program term sheets.

Proposals that assume HDC bond financing (and subsidy financing, if applicable) must comply with all terms of the applicable HDC term sheet. Please refer to <http://www.nychdc.com/pages/Termsheets.html> for further information and program term sheets.

See *Section IX.H and Tab L – Financing Letters of Interest* for information on letters of interest from lenders.

Developers may propose additional subsidy sources. While multiple subsidy sources may be used, Proposals will be evaluated based on the efficiency of proposed financing plans.

D. Resale, Refinancing, and Recapture Restrictions

Residential Rental Component

The portion of any City Debt attributable to any residential rental component of the Project is subject to repayment from refinancing and resale profits, and is non-evaporating.

Community Facility Components (if applicable)

The portion of the City Debt attributable to the community facility components of the Project is repayable from refinancing and resale profits, and is generally non-evaporating or self-extinguishing.

E. Real Property Taxes

The Development Site is subject to New York City real property taxes and charges. However, the tax exemptions described below may be available for eligible projects. Specific benefits may vary depending on characteristics of the project. For details of each program, it is necessary to consult the relevant statute and rules. Applicants should indicate in the Project Narrative which tax exemption program(s), if any, they plan to utilize. It is the responsibility of the Developer to apply for and meet the requirements of the specific tax benefit program(s). NYCHA and HPD makes no representations or warranties as to the continued availability of these benefits or as to the Project's eligibility to receive these benefits.

The 420-c tax exemption provides an exemption from New York City real property taxes for up to sixty (60) years for housing financed or previously financed in part with Federal Low Income Housing Tax Credits. In order to be eligible for this tax exemption, at least 70% of the units must be subject to the income and occupancy requirements of Internal Revenue Code Section 42. Projects must be owned or leased for at least thirty (30) years by a corporation, partnership, or limited liability company, of which at least fifty percent (50%) of the controlling interest is held by a charitable organization with 501(c)(3) or (4) tax exempt status whose purposes include the provision of low income housing, or a wholly-owned and wholly-controlled subsidiary of such a charitable organization. HPD must approve the regulatory agreement that imposes tax credit restrictions on the

project's dwelling units and may also require a payment in lieu of taxes (PILOT.)

The 420-a tax exemption program provides a full exemption from New York City real property taxes for certain property owned by eligible not-for-profit institutions. If the community facility is the only portion of the Project that will receive a 420-a tax exemption, it must be in a separately assessed tax lot from the rest of the Project.

The NYS Private Housing Finance Law Article XI tax exemption provides a complete or partial tax exemption from New York City real property taxes for up to 40 years for the new construction or rehabilitation of affordable housing carried out by a Housing Development Fund Company (HDFC). The formation of any HDFC sponsor must be individually approved by HPD.

Please refer to <http://www1.nyc.gov/site/hpd/developers/tax-incentives-article-xi.page> for further information.

VII. ADDITIONAL REGULATIONS

A. Fair Housing Requirements

The Developer is required to comply with all applicable Federal, State, and local laws, orders, and regulations prohibiting housing discrimination.

B. HOME funds and Davis-Bacon

It is the responsibility of the Developer to comply with necessary prevailing wage requirements should construction and permanent financing sources require it. Every contract for the construction of housing (rehabilitation of new) that contains 12 or more units assisted with Federal HOME funds will be required to comply with Davis-Bacon and the Contract Work Hours and Safety Standards Acts.

C. Section 3 Clause

The project resulting from this RFP may be subject to Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the implementing regulations at 24 CFR part 135. If applicable to the project, (i) to the greatest extent feasible, opportunities for training and employment arising in connection with the planning and carrying out of the project must be given to "Section 3 Residents" as such term is defined in 24 CFR 135.5; and (ii) to the greatest extent feasible, contracts for work to be performed in connection with any such project must be awarded to "Section 3 Business Concerns" as such term is defined in 24 CFR part 135.5. Employment preferences under Section 3 are targeted first to public housing residents and, secondarily, to other low and very low income residents in the metropolitan area in which the Section 3 covered assistance is expended.

Section 3 Equivalent Requirement is applicable to Projects under this RFP. Developers are expected to provide comparable resources and opportunities for resident training and employment.

D. Hiring of NYCHA Residents

Pursuant to NYCHA's goal of generating economic opportunities for its residents, applicants must submit a plan for providing training and employment opportunities to NYCHA residents during construction and post construction. If selected, The Developer shall collaborate with NYCHA's Resident Economic Empowerment and Sustainability's ("REES") to finalize an agreed upon hiring plan that is consistent with applicable HUD and NYCHA resident hiring policies. REES referral can be included as one source of recruiting qualified NYCHA residents for employment.

The Developer shall include a provision in general contractor and subcontractor bids that require NYCHA resident employment training and employment opportunities for qualified NYCHA residents consistent with the above.

E. Rent Stabilization

Initial rents will be established in accordance with the regulatory agreement consistent with the income requirements outlined in this RFP. Prior to initial occupancy all units must be entered into the New York State Rent Stabilization system at rents specified in the regulatory agreement. Units must remain in the system for the duration of the Project or as required by law, but in no case less than thirty (30) years.

F. Equal Opportunity

Agreements resulting from this RFP will be subject to the provisions of Executive Order 50, as amended, and its implementing regulations as stated in *Exhibit E (Equal Opportunity)*. A representative from the Developer and each entity with which the Developer partners will be required to attend a class administered by HPD outlining the requirements of Executive Order 50 and to submit Equal Opportunity forms provided by HPD verifying their compliance with its provisions.

G. Accessibility

Construction of the project must comply with the accessibility requirements of all applicable laws including, without limitation to the New York City Building Code, the Fair Housing Act, the Americans for Disability Act, and Section 504 of the Rehabilitation Act of 1973

H. Division of Human Rights Approval

The selected Developer must obtain the approval of the New York State Division of Human Rights pursuant to the Section 296.2-a(e) of the New York State Executive Law in order to develop and operate a senior housing project.

VIII. DEVELOPER SELECTION CRITERIA AND PROCESS

A. Review

NYCHA and HPD will evaluate each Proposal and each Applicant according to the threshold requirements (“Threshold Requirements”) below, taking into account the information provided in the Proposal, references, and any other information about the Applicant’s performance available to NYCHA and HPD. Proposals that are not complete or do not conform to the requirements of this RFP will be eliminated from further consideration, unless NYCHA and HPD permit the Applicant to correct the omission (see subsection B below).

Proposals that meet all Threshold Requirements will be comprehensively evaluated, rated, and ranked according to the competitive selection criteria (“Competitive Selection Criteria”) below. NYCHA and HPD may request additional information, interviews, presentations, or site visits. The selected Applicant will be chosen from among the highest rated and ranked Proposals. NYCHA and HPD may disapprove the inclusion of any member of an Applicant’s Development Team and/or require the selected Applicant to substitute other individuals or firms.

NYCHA and HPD strongly encourage M/WBE and non-profit developers to submit Proposals under this RFP.

B. Threshold Requirements

Completeness of Proposal

The Proposal must contain all documentation required under *Section IX Submission Requirements*. All of the required forms must be fully completed and application requirements met at the time of submission. Upon review, however, NYCHA and HPD, at their discretion, may notify an Applicant that additional information or clarification is necessary.

Comparable Development Experience

“Development Experience” is defined as the successful completion of the construction of at least one new construction project of at least one hundred (100) residential units within the past seven years. At least one Principal of the Applicant must have had prior development experience, as Principal.

Comparable Management Experience

At least one Principal of the Applicant or the proposed managing agent must have comparable rental management experience. “Comparable Management Experience” is defined as the successful management of at least a hundred (100) residential units in New York City within the past seven (7) years. The Principal must have been the owner and manager, or the owner acting through a management entity, to fulfill this qualification. No changes in managing agent may be made without prior NYCHA and HPD approval.

Development Capacity and Current Workload

Applicants must be capable of meeting the construction timeline presented in *Section V.B Obligations of Selected Developer*. An Applicant's current workload and other pending project obligations will be considered in assessing capacity for undertaking the Project proposed by the Applicant within NYCHA and HPD's proposed timeframe prescribed for the Project.

Conformance with RFP

Proposed Project must meet all minimum requirements outlined in *Section III. Site Descriptions and Program Requirements*.

Ability to Finance

Applicants must demonstrate adequate financial resources to develop a project of the scope proposed in their submission. NYCHA and HPD will evaluate the Applicant's assets, bank or other lender references, and current commitments in order to assess the Applicant's capacity to secure construction and permanent financing, meet construction lender's equity requirements, absorb any cost overruns, and commence and complete construction of Applicant's entire Project in a timely manner.

Feasibility of Development Proposal

The Applicant's financing plan must be considered feasible. Estimated Project development and operating costs must be within current industry parameters. Proposed rents for the housing units and any additional income from commercial (if applicable), community space (if applicable) or other sources must be deemed realistic based upon Proposal information and market conditions. An estimate of the square footage construction costs using both net and gross square footage must be provided along with the Project budget.

Adverse Findings

An Applicant's Proposal will be rejected at any time during or after the evaluation process if there are any adverse findings that would prevent NYCHA from conveying the Development Sites to the Applicant, or any or any person or entity associated with the Applicant. Such adverse findings include, but are not limited to:

- Negative findings by the NYCHA Inspector General's Office or the New York City Department of Investigation;
- Conviction, administrative violation, judicial or administrative finding, pending judicial or administrative case, or pending litigation for harassment, arson, fraud, bribery, grand larceny, any felony or crime of dishonesty, or noncompliance with fair housing or anti-discrimination laws, any applicable codes or ordinances, labor laws, or construction laws.
- Defaults or poor performance under any government-assisted program;
- Suspension or debarment by any governmental entity;
- Mortgage arrears, default, or foreclosure proceedings;
- Tax arrears, tax foreclosure or enforcement proceedings, or sale of tax liens; or
- Voluntary or involuntary bankruptcy proceeding.

C. Competitive Selection Criteria

Proposals that satisfy the Threshold Requirements above will be evaluated and ranked according to the Competitive Selection Criteria described below. In evaluating Proposals under these criteria, the combined experience and resources of all Principals of the Applicant will be considered. NYCHA and HPD may request additional information, site visits, interviews, or presentations by the Development Team.

Financial Feasibility of Development Proposal

Weight 35%

Proposals will be evaluated based on the reasonableness of estimated development and operating costs, proposed rents and other income, demonstrated financial capacity to complete the Project, the feasibility and terms of the financing sources proposed to finance the Project, percentage of developer fee to NYCHA, and the ability to support operating expenses, capital costs, and debt service. Proposals providing affordable housing with the least amount of subsidy will be rated favorably. Preference will be given to Proposals with a feasible plan for an extended affordability term. Applicants must include detailed market comparables for all underwritten income assumptions.

Development Experience, Management, and Capacity

Weight: 30%

Previous development experience will be evaluated as it reflects the Applicant's demonstrated ability to successfully carry out a quality project of this type, size, and complexity in a timely manner. Among the factors that will be considered are:

- Quality of construction and design in projects completed or currently being built by the Applicant and/or its Principals;
- Extent of the Applicant's experience, in terms of number, size, type, and scale of projects built within the last seven (7) years;
- Extent of the Applicant's experience developing and managing residential space and managing and operating retail and/or community facility space within the last (7) years, if applicable;
- Applicant's current workload, staff capacity and other pending project obligations and their potential impact on ability of Applicant to complete project within the prescribed timeframe;
- History of delivering quality projects on time and within budget;
- Experience with sustainable design practices consistent with Enterprise Green Communities requirements;
- Experience operating projects with Commercial or Community Facility Uses in comparable markets, if applicable; and
- Strength of marketing plan to affirmatively further fair housing.

Quality of Building & Urban Design

Weight: 25%

Proposals will be evaluated on quality of design, extent to which they demonstrate creativity and insight in their solution to site conditions, relationship to the surrounding NYCHA development, quality of construction, innovative use of materials and construction technology, sustainability, and potential long-term viability within reasonable cost parameters. Site planning, building arrangement, street wall elevations, massing, interior layouts, building materials, amenities, active design and streetscape

treatment will be considered. New street trees, lighting, and other streetscape features should be provided around the Development Site; the design should integrate the new building with the existing NYCHA development and surrounding community; existing trees should be preserved when possible. Safety and security plans for the Project will be considered in ranking design proposals, with preference given to stronger plans.

Design experience of the Applicant will be taken into consideration. Applicants must provide three examples of affordable housing projects which may or may not include community facilities or retail.

Proposals must comply with all applicable codes and the requirements of *Exhibits C & D (Design Guidelines)*.

Program

Weight: 10%

Affordable Housing Units

Proposals will be rated based on providing the deepest level of affordability with the least amount of subsidy, and greatest amount of affordable units. Preference will be given to Proposals with a feasible plan for extended affordability.

Community Facility Plan (if Applicable)

Proposals will be evaluated on the Applicant's ability to develop, lease, and manage the community facility proposed as described in Community Facility Plan (see *Section IX (H) Tab M* for submission requirements). The Community Facility Plan must demonstrate financial feasibility and include a pro forma and the overall strategy for managing the community facility space. Additional preference will be given to Proposals that include Letters of Interest from community facility operators.

D. Selection

Selection of a Developer under this RFP means only that NYCHA and HPD will commence negotiations with such Applicant regarding the Proposal for the Development Site.

Negotiation Letter

Upon such selection, HPD will send written notification ("Negotiation Letter" or "Letter") to the Developer regarding the commencement of negotiations. This Negotiation Letter will set forth certain information regarding the Project and procedures that will form the basis for such negotiation.

Form A-2 is an Applicant's Letter that describes this process. Each Proposal must include this letter signed on behalf of the Applicant by a Principal. NYCHA and HPD reserve the right to terminate negotiations with or without cause after the issuance of such Negotiation Letter.

Pre-Development Timetable

The Negotiation Letter will include a development schedule setting out the major actions and timeframes necessary to start construction within 12 or 24 months from the date of the Letter, depending on the site. Failure of the Developer to follow the development schedule may result in the termination of negotiations and the selection of another

Developer. The selected Applicant(s) must begin pre-development work within thirty (30) days of the date of the Negotiation Letter.

Disclosure

The Developer who receives a Negotiation Letter from NYCHA and HPD must thereafter disclose all previous participation in NYCHA and City-assisted projects. Such entity or entities and all Principals thereof will each be required to submit completed Entity and Individual Disclosure Statements which will be forwarded to the Developer. NYCHA and HPD will provide copies of these forms upon request to any Applicant.

No Obligation

This RFP does not represent any obligation or agreement whatsoever on the part of NYCHA and HPD. Any obligation or agreement on the part of NYCHA and HPD may only be incurred after NYCHA, HPD and the Developer enter into a written agreement approved by the Corporation Counsel. NYCHA and HPD may use the Proposals submitted pursuant to this RFP as a basis for negotiation with Applicants as it deems appropriate. NYCHA and HPD may reject at any time any or all Proposals, amend or withdraw this RFP in whole or in part, negotiate with one or more Applicants, and/or negotiate and dispose of the Development Site on terms other than those set forth herein (including to parties other than those responding to this RFP). NYCHA and HPD may also, at any time, waive compliance with, or change any of the terms and conditions of this RFP, entertain modifications or additions to selected Proposals, or withdraw or add an individual Development Site or parcels from or to this RFP.

IX. SUBMISSION REQUIREMENTS

A. Inquiries

All communications and inquiries regarding this RFP should be directed to:

e-mail: NextGenNYCHARFP@nycha.nyc.gov

All questions should be submitted by August 21, 2015 to be included in the RFP addendum.

B. Pre-Submission Conference

A pre-submission conference will be held on July 17, 2015, at 10AM at NYCHA, 250 Broadway, 12th Floor, New York, NY. The date, time, and location of this pre-submission conference and any updates and/or additional communications regarding this RFP will also be posted on NYCHA and HPD's websites at the following addresses:

<http://www1.nyc.gov/site/nycha/business/request-development-proposals.page>
<http://www1.nyc.gov/site/hpd/developers/rfp-rfq-rfo.page>

All potential Applicants are encouraged to attend this conference as this will be the only opportunity to ask questions and receive answers in person. If you are planning on attending the conference, please RSVP at the email address above. People with disabilities requiring special accommodations to attend the pre-submission conference should contact the email address. Responses to all inquiries will be collectively provided in an addendum which will be posted on NYCHA and HPD's websites and sent to all registered prospective Applicants after the pre-submission conference.

C. Time and Place of Submission

On or before the submission deadline, the Applicant must submit a development proposal in accordance with the instructions and attachments contained in this RFP, as well as in any addenda that may be issued to the RFP. All submissions become the property of NYCHA and HPD.

Proposals must be delivered by hand no later than 4:00 PM on **Wednesday, September 30, 2015** to:

New York City Housing Authority
Department for Development
250 Broadway, 3rd Floor
New York, NY 10007
Attention: Burton Leon

Late submissions will not be accepted.

D. Format of Proposal

Each Proposal must consist of one (1) bound original, four (4) bound copies and one (1) flash drive with all components of the Proposal. All Proposals must be bound in three-

ring binders of an appropriate size. An authorized representative of the Applicant must sign the original Proposal.

Each Development Site will require a separate Proposal. Each Proposal must be tabbed as indicated below in *Section H. Proposal Content and Tabbing*. All forms associated with the Proposal must follow the format included in this RFP. All Forms included in *Exhibit G* (Proposal Forms) will be made available for download on the HPD website. Forms D-1, D-2 and Form K (Financing Proposal) must be submitted as Excel files and in original formatting on the flash drive.

E. Modifications

An Applicant may submit a complete modified Proposal to replace all or any sections of a previously submitted Proposal up until the submission deadline. Neither NYCHA nor HPD personnel will insert pages or otherwise modify the Applicant's Proposal. The Applicant has the full responsibility for ensuring that its final Proposal has been submitted in the desired form by the submission deadline. The front cover of a modified Proposal must identify the submission as a modified proposal and include the date on which the modified Proposal is submitted.

Modifications received after the submission deadline due date will not be considered. If NYCHA and HPD determine, upon review of a Proposal, that any items are missing and/or incomplete, NYCHA and HPD, in their sole discretion, by written notification given to the Applicant, may permit the Applicant to provide or clarify such items. Failure to provide complete information in a timely fashion could result in rejection of the Proposal.

F. RFP Addenda

NYCHA and HPD reserve the right to amend or withdraw this RFP at any time. In order to be considered, Proposals must conform to any amendments that may be issued to this RFP. Amendments may include, without limitation, any requirements and terms or conditions contained in this RFP. NYCHA and HPD will advise each Applicant of any clarifications or revisions.

If, in NYCHA and HPD's judgment, additional time is required for Applicants to prepare their Proposals, NYCHA and HPD reserve the right to grant an extension of the deadline for submission of a Proposal, and such extension will then be granted to all Applicants.

G. References and Requests for Further Information

Submission of a Proposal shall constitute permission from the Applicant for NYCHA and HPD to make such inquiries concerning the Applicant as NYCHA and HPD deem necessary. NYCHA and HPD reserve the right to communicate with any of the Applicants, but NYCHA and HPD are not obligated to do so. NYCHA and HPD may discuss the Proposals of any Applicants concurrently or sequentially, as NYCHA and HPD may determine. No Applicant has any rights against NYCHA and HPD arising from any such invitation to a discussion, or from any negotiations that may arise pursuant to the discussions.

Applicants must comply with all requests for information and, if requested by NYCHA and HPD, appear for presentations or discussions. If any Applicant fails to do so within the

time period given (or within any time extension that NYCHA and HPD may grant), NYCHA and HPD may deem this as a failure and act of non-compliance with the RFP, which will permit NYCHA and HPD to select another Applicant or to solicit new Proposals. In furtherance and not in limitation of the foregoing, before a final selection is made, an Applicant may be required to produce more detailed information concerning the professional background of those persons who own and manage such Applicant, a report on the financial background of such Applicant, and information concerning the nature and status of any past or pending threatened charges or actions (including lawsuits, criminal or disciplinary actions, administrative proceedings by any governmental or regulatory agency or bankruptcy action) against such Applicant or any of its partners, directors, officers, employees, shareholders, subsidiaries, or affiliates, as the case may be.

H. Contents of Proposal and Tabbing

A separate Proposal must be submitted for each Development Site the Applicant wishes to develop. Proposals that are not complete or not in conformance with the requirements of this RFP will be eliminated from further consideration. Proposals must contain the forms and supporting documentation described below. Each copy of the Proposal must be tabbed as indicated below. The tabs should run down the right hand side of the bound Proposal document. All Proposal Forms can be found in *Exhibit G*.

TAB A - Completeness Checklist and Applicant's Letter

Each Applicant must submit a **Completeness Checklist** (Form A-1) and **Applicant's Letter** (Form A-2). The letter must be printed on the Applicant's letterhead and signed by an authorized representative of the Applicant.

TAB B - Proposal Summary and Project Narrative

Applicants must complete the **Proposal Summary** (Form B). The Proposal Summary must be consistent with the rest of the Proposal (e.g. Financing Proposal and Design Narrative).

In addition, Applicants must include a narrative of one or more pages that describes the Proposal. The narrative must include, at a minimum, the size of the Project, proposed uses, a breakdown of all residential units by type and affordability, the income and rent levels contemplated, the sources and amounts of financing, including any tax exemption assumptions, and a brief description of the most relevant development experience of at least the Principal(s) who would manage the Project.

TAB C - Applicant Description

Applicants must complete the **Development Team Information and Applicant Questionnaire** (Forms C-1). Applicants that include a not-for-profit organization as a member of the Development Team must also complete the not-for-profit section of the Applicant Description (Form C-2).

If the Applicant is a joint venture, the Principals of each entity that makes up the joint venture must be identified, and a Principal of each entity must sign the Form.

Applicants must include a chart or diagram explaining the intended form and structure of any proposed partnership or joint venture. The structure and percentages of ownership and investment must be included.

Applicants are encouraged to provide resumes describing key members of the Development Team and/or brochures describing the Applicant and any similar projects in which the Applicant has been involved. This information may include information regarding projects that the Applicant has developed in the vicinity of the Development Site or clarification of information provided in the forms included in the Proposal. Provide a staffing plan indicating which Principals and staff members would have primary responsibilities for implementing the Project and their roles in day-to-day management of the Project.

TAB D – Development Experience, Management Experience and Current Workload

Each Principal of the Applicant must complete Forms D-1 through D-3. If an individual has no experience, this shall be indicated by including a form marked “None”. Forms D-1 and D-2 should be submitted as Excel files in original formatting on the flash drive. A separate form shall be provided for each Principal with residential management experience. Care should be taken to provide accurate information about references. In addition, a separate form shall be provided for a Principal or managing agent proposed to manage the Development.

TAB E - Assets Statement

Each Principal of the Applicant must submit audited or certified financial statements describing in detail the Principal’s financial status in the two (2) most recent fiscal years preceding the deadline for the submission of Proposals in response to this RFP. Publicly-owned companies must submit the latest annual report and Form 10K as well as any Form 10Q submitted after such Form 10K. As an alternative, the **Assets Statement** in Form E may be used.

TAB F – Development Schedule

Applicants must provide a development schedule and phasing plan (if applicable), including benchmarks for commencement and completion of plans and drawings, New York City Department of Buildings plan approval, site preparation, construction commencement and completion, marketing, and occupancy of the Project. If applicable, in order to complete the timeline, assume at least one (1) year for NYCHA and HPD approvals for pre-development work, preparation of Section 18 disposition application due to HUD and ULURP certification.

TAB G – Design Team Experience & Narrative

Applicants must submit design team’s resumes, focused on projects in the last ten (10) years, and qualifications detailing applicable residential and mixed-use development experience.

Applicants must provide a detailed narrative description outlining the proposed concept of the Project and include, among other things, the Applicant’s approach to the Project, critical Project issues and problem solving techniques, primary design objectives of the Project intended to meet the standard of design and construction described throughout

this RFP, and specific high performance and sustainable design features proposed for each Project. This description should identify:

- A rationale for the design concept chosen for the Project that includes circulation (private and public), new building configuration and lot coverage, heights, orientation and relationship to surroundings, primary building materials, major architectural features, and sustainable design elements.
- Type, location, and total Project square footage (gross and saleable or rentable, including basement(s), if applicable), as well as total square footage breakdown for each use.
- Type, number, and characteristics of the residential units, including unit distribution, number of bedrooms, approximate square footages and amenities.
- Detailed description of construction methods, foundation type(s), and building systems for all new buildings.
- Description and location of all mandatory infrastructure and other public improvements, including public and private open spaces, landscaping, and parking.
- Description of how development complies with all zoning and other legal requirements.

TAB H – Architectural Submission

All plans must be prepared by a Registered Architect or Professional Engineer. All materials must be on paper size of 11” by 17” or smaller and must be easily reproducible. The following must be included:

- Photographs: Photos of the Development Site and the Development Site’s relation to surrounding buildings, streets and open spaces, at least 3” x 5” in size. Photos must be keyed on the area plan outlined below. The photos should be clear enough to be reproducible.
- Area Plan: A copy of the most recent Sanborn map of the area; indicate vehicular traffic directions and locations of bus stops in a two-block radius.
- Zoning / Unit Distribution: a zoning map for the area including the Development Site, a detailed zoning computation and analysis to demonstrate compliance with existing zoning, and Building Code information indicating occupancy group and construction classification. Also include apartment count and distribution, retail space if applicable, community facility space.
- Development Site Plan: Clearly legible site plan indicating all components of the Project and other development within one block of the Development Site. It must include walkways, sidewalks, parking, driveways, building access points, tree locations, plant materials, fences, gates, lighting, easements, and encroachments, with dimensions.
- Typical and A-typical Floor Plans: It is not required that design and architectural documents submitted include full apartment layouts for the floor plans. Submissions, however, must show blocked out units and clearly indicate all dimensions and total square footages. Community spaces (laundry room, play room, etc.) should be indicated in the floor plans. Unit plans must be 1/8”=1’0”. Unit and bedroom dimensions should be computed to the inside of finished surfaces of walls, excluding columns, pipe chases, kitchens, kitchenettes, entryways, and closets. Basic furniture

lay-out should be illustrated for each apartment type. Plans should include a North arrow, actual scale and graphic scale.

- Community Facility Plan: If applicable, provide ground-floor plan depicting community facility areas and clearly indicating dimensions, square footage, structural columns, ceiling heights, storage space, utility outlets, and bathrooms. Clearly indicate access points, existing columns, storage space, and bathrooms.
- Elevations: All elevations of the buildings at the same scale as the plans. Finishes, construction materials, ceiling heights, and floor elevations (level) must be shown and labeled on drawings. Perspective drawings/renderings are optional; however, they must not replace required elevations. Color renderings and/or elevations are appreciated but not required.
- Any other architectural drawings such as axonometric, street frontage elevations, perspective or sectional drawings or computer generated modeling, if they provide a better understanding of the development concept.
- Relationship to adjacent NYCHA development.

TAB I - Sustainability

Applicants should provide a concise narrative describing sustainability, active design, and resiliency elements included in their proposal. Applicants must also complete and include the 2011 Enterprise Green Communities Criteria Certification Overlay found in *Exhibit B* in this tab. Applicants should clearly indicate which of the elements are included in their proposal.

TAB J – Environmental Proposal

Applicants must submit a proposal for environmental testing and/or remediation, if applicable. The Developer should select a reputable environmental planning consultant with experience in the preparation of NEPA, SEQR and CEQR documents.

TAB K – Financing Proposal

Applicants must submit a completed Financing Proposal (Form K) in both hard copy and Excel format. Electronic copies of the forms can be downloaded from the HPD website. If portions of the Project are separately financed, the Applicant should provide separate proposals for each portion.

All proposals must reflect the rent price affordability calculations, and utility allowances described in Form K. In addition to the minimum affordability requirements described throughout this RFP, any subsidy programs that are utilized will determine additional, if any, required affordability levels.

Specific information about the superintendent's unit(s) should be included, as appropriate, in Form K. If the superintendent is not located onsite, a letter explaining alternative provisions for janitorial services that satisfy the Housing Maintenance Code must be included in this tab.

In addition to Form K, a narrative description that clearly explains the financing structure of the Project should be included. The narrative must explicitly identify proposed subsidy/financing programs. All proposals must include a primary financing scenario that does not rely on competitive financing sources from Federal, State or City Governments,

including but not limited to HDC or HPD 9% Low Income Housing Tax Credits or any other competitive programs offered by HFA, HCR or HPD.

Units must remain in the rent regulation system for the duration of the Project, but in no case less than thirty (30) years. The Developer may submit a proposal to extend the affordability period for an additional number of years in this Tab. Preference will be given to Proposals with a feasible plan.

Provide market comparables in the form of detailed rental listings of at least three properties/projects with operations similar to the proposed Project located within less than a mile of the Development Site. Applicants must provide detailed market comparables for all underwritten income assumptions.

The plans and costs for ongoing maintenance of open space(s) must be included in the narrative and budget.

TAB L – Financing Letters of Interest Private and Public Funds

Private Financing – If private financing is proposed, a letter or letters of interest from a private lender or lenders must be included. Letters must be dated no earlier than two (2) months from the date of submission of the Developer’s proposal. The letter(s) must indicate a willingness to provide construction and permanent financing in amounts and with terms consistent with the proposal, and must include the following:

- The amount of financing that the lender would consider based on the lender’s preliminary determination of feasibility, based on expected development costs, and rent levels; and
- The interest rate (fixed or variable), the equity requirement, applicable fees, and other terms under which the lender would provide construction financing.

Permanent Loan

- The amount of financing that the lender would consider based on the lender’s preliminary determination of feasibility, based on expected development costs and rent levels; and
- The interest rate (fixed or variable), the equity requirement, applicable fees, and other terms under which the lender would provide permanent financing; and
- The maximum loan to value ratio and other underwriting criteria, including treatment of rental income, minimum maintenance and operating expenses, and debt service coverage requirements.

The letters must be provided on the lender's letterhead, signed by a representative of the lender, and must state the amount and terms of the financing. Applicants may use different private lenders for construction and permanent financing.

Public Financing

If HDC bond financing is proposed, a letter of interest from HDC is NOT required. However, a letter of interest from a lender or, if applicable, credit enhancer acceptable to HDC must be provided and must include underlying credit terms including, as

applicable, the amount of the proposed letter of credit, the terms of agreement, applicable fees and any other conditions.

If the use of public funds from sources other than HPD or HDC is proposed, a written indication of interest (e.g. a letter of interest, a commitment letter or an award letter) dated no earlier than two (2) months from the date of submission of the Developer's proposal, must be included. Each letter must be on the organization's letterhead and signed by a representative of that organization.

Competitive Sources

Any Proposal that includes funding or financing that is awarded on a separate competitive basis must submit an alternative scenario using non-competitively awarded sources and must provide appropriate letters of interest from those sources.

TAB M – Community Facility Plan & Experience (if applicable)

Proposals must provide a Plan for Community Facility use, if applicable. Site planning, building arrangement, building systems, interior layouts, building materials, amenities, and streetscape treatment will be considered. All Proposals must include a narrative that describes, at a minimum, a management/operations plan, which is feasible and responsive to the community's needs. The Plan must specify use and services to be provided, staffing and/or partners who will provide the services, operating budget and funding sources. A letter or letters of interest from prospective Community Facility tenants must be provided. If private financing is proposed, a letter or letters of interest from a private lender or lenders must be included. Developers should also describe their prior experience operating projects with Community Facility Uses in comparable markets.

TAB N – Marketing Plan

Applicants must provide a marketing plan for the lease-up of all affordable housing units. The marketing plan should include information about the anticipated target markets of the Project; pricing structures and amenities; community outreach strategy; and other relevant information. The strength of the marketing plan to affirmatively further fair housing will be evaluated.

See http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_op/p/promotingfh for more information. The marketing plan must comply with the HPD-HDC Marketing Guidelines along with NYCHA preferences (*Exhibit F*).

TAB O - NYCHA Resident Hiring Plan

Pursuant to NYCHA's goal of generating economic opportunities for its residents, Applicants must submit a plan for hiring Authorized NYCHA Residents. The plan should include the following:

- Estimated number of workers by title who will be employed: 1) construction and 2) post-construction. Please indicate the average hours per week for each title.
- Estimated positions by title expected to be filled by new hires.
- Anticipated labor cost for the total project and estimated wage by title
- Outreach and recruitment strategy to target NYCHA residents.

Please note, additional hiring plan details may requested through submission of NYCHA's Wage Detail form.

In order to help identify and recruit qualified NYCHA residents, the Developer will collaborate with NYCHA's Office of Resident Economic Empowerment and Sustainability (REES) to source qualified residents. As described above in Section III (E)7 NYCHA offers a Training Academy for Authorized NYCHA Residents for jobs in construction, pest control, and janitorial work to produce a pool of trained candidates. NYCHA, through REES, also manages partnerships with external workforce development and vocational training providers that can serve as a referral source.

TAB P– Resident Services Plan

NYCHA and HPD will evaluate the quality of the Resident Services to be offered to all tenants for at least five years of occupancy. The Plan should describe: (a) what services will be provided, (b) how and by whom the services will be provided, (c) estimated costs of providing the services and (d) sources of funding for the services.

X. CONDITIONS, TERMS, AND LIMITATIONS

This RFP is subject to the specific conditions, terms and limitations stated below:

Proposals submitted shall be deemed to incorporate all of the terms and conditions contained in the RFP. Applicants will be deemed to have consented to such terms by submitting a Proposal in response to this RFP.

The Sites will be disposed in "as-is" condition. NYCHA, the City, or any of their respective officers, agents, and employees make no representation whatsoever as to the physical condition of the Sites or their suitability for any specific use.

The Sites shall be subject to New York City Real Property Taxes and charges. Tax benefits may be available under the 420-c, 420-a, and/or Article XI tax exemption programs.

The proposed Projects shall conform to, and be subject to, the provisions of the Zoning Resolution, Building Code, and all other applicable laws, regulations and ordinances of all Federal, State, and City authorities having jurisdiction, as the same may be amended from time to time.

Valid permits and approvals, as required by City, State and Federal agencies, shall be obtained by the Developer prior to commencing work.

The commencement of negotiations with a Developer will depend on satisfaction of the documentation and review requirements described in this RFP and will be subject to joint review by NYCHA and HPD. The continuation of negotiations with a Developer may depend on provision of additional documentation required by NYCHA and HPD.

NYCHA will lease the Sites pursuant to approval from the NYCHA Board and HUD and all documentation, including but not limited to the ground lease and restrictive declaration, shall be in form and substance satisfactory to the NYCHA Board and HUD.

No transaction will be consummated if any Principal of any Developer with whom NYCHA or HPD has commenced negotiations is in arrears, or in default upon any debt, lease, contract or obligation to the City, NYCHA, or HPD, including without limitation, real estate taxes and any other municipal liens or charges. The City and NYCHA reserve the right not to review any Proposal by any such Applicant.

Entities that are in debarred status by either the Comptroller of the City of New York or the United States Department of Labor, and entities with histories of convictions of criminal violations of the Occupational Health and Safety Act within the five years preceding the closing date, may not be eligible to enter into development agreements or serve as prime or general contractors on this project.

No commission for brokerage or any other fee or compensation shall be due or payable by the City, NYCHA, or HPD, and the submission of a Proposal will constitute the Applicant's undertaking to indemnify and hold the City, NYCHA and HPD harmless from and against any such claim for any such fee or compensation based upon, arising out of,

or in connection with any action taken by the Applicant, the selection of the Applicant's submission and invitation to the Applicant to respond to this RFP, the conditional selection of a Developer pursuant to this RFP.

Neither the City, NYCHA, nor HPD is obligated to pay, nor shall the City, NYCHA or HPD in fact pay any costs or losses incurred by any Applicant at any time, including any costs incurred by the Applicant in connection with the Applicant's response to this RFP.

Not later than ninety (90) days after NYCHA and HPD's selection of the Developer, NYCHA and Developer shall complete and execute a comprehensive Development Agreement for the Project. Failure to complete and execute such Development Agreement will provide NYCHA and HPD the unilateral right to terminate all further negotiations with Developer related to the Project, which if exercised will release NYCHA and HPD from any further obligations or liability to Developer.

The selection of an Applicant will mean only that NYCHA and HPD may commence negotiations with that Applicant regarding the development of the Development Site. NYCHA and HPD will send the Negotiation Letter to the selected Applicant. The selected Applicant must begin pre-development work within thirty (30) days of the Negotiation Letter. The selected Applicant will be expected to start construction on the day specified in their Development Schedule; however, the Applicant must expect to commence no later than twelve (12) months from the date of the Negotiation Letter.

This RFP does not represent any obligation or agreement whatsoever on the part of NYCHA and HPD, which may only be incurred or entered into by written agreement to which NYCHA and HPD are parties, subject to the approvals of the Mayor, the NYCHA Board, NYCHA, HPD and the New York City Law Department, and HUD. NYCHA is under no legal obligation to lease the Sites. NYCHA and HPD may use the Proposals submitted pursuant to this RFP as a basis for negotiation with Applicants as NYCHA and HPD deem appropriate. NYCHA and HPD may reject at any time any or all Proposals, amend or withdraw this RFP in whole or in part, negotiate with one or more Applicants, and/or negotiate and dispose of the Sites on terms other than those set forth herein (including to parties other than those responding to this RFP). NYCHA and HPD may also, at any time, waive compliance with, or change any of the terms and conditions of this RFP, entertain modifications or additions to selected Proposals, or withdraw or add individual sites or parcels from or to this RFP.

Selection of an Applicant's Proposal will not create any rights on the Applicant's part, including, without limitation, rights of enforcement, equity or reimbursement, until after the approvals of HUD, NYCHA and HPD, and until the Ground Lease, an agreement, and all related documents are fully executed and approved. The terms of the Ground Lease, and an agreement after execution (the "NYCHA Documents"), shall govern the relationship between NYCHA and the Developer. In the event of any variance between the terms of this RFP and the Ground Lease or the NYCHA Documents, the terms of the Ground Lease and/or the NYCHA Documents will govern.

All determinations as to the completeness or compliance of any Proposals, or as to the eligibility or qualification of any Applicant, will be within the joint discretion of NYCHA and the City.

NYCHA and HPD are separate legal entities and will have separate responsibilities with respect to the Projects. NYCHA is a Public Housing Authority, which was organized and exists as a New York public benefit corporation. HPD is a department of the City of New York. NYCHA will be responsible for arranging all conveyance permissions and licenses to enter upon the Sites, and for leasing of the Sites. NYCHA and HPD will jointly oversee the actual development process.

This RFP and any agreement resulting there from are subject to all applicable laws, rules and regulations promulgated by any Federal, State, or municipal authority having jurisdiction over the subject matter thereof, as the same may be amended from time to time.

XI. CONFLICTS OF INTEREST

Current or former employees of the City of New York may respond to this RFP only in accordance with the section(s) of Chapter 68 of the New York City Charter governing ethics and conflicts of interest affecting City personnel. Section 2604(b)(7) of the City Charter contains specific prohibitions that exclude enumerated groups of employees from participating in the sales process. In addition, current NYCHA or HPD employees may not respond to this RFP.

Persons in the employ of the City considering the submission of a Proposal are advised that opinions regarding the propriety of their participating in the Project may be requested from the New York City Conflict of Interests Board. This body is empowered, under Section 2602 of the City Charter, to issue advisory opinions on conflict of interest questions and other matters of ethical consideration. It is not necessary, however, that such an opinion be obtained prior to responding to this RFP.

Former employees of the City of New York or NYCHA are also advised that the City Charter imposes certain restrictions on post-employment business relationships with the City. Such individuals should consult the specific provisions on this issue contained in the City Charter.

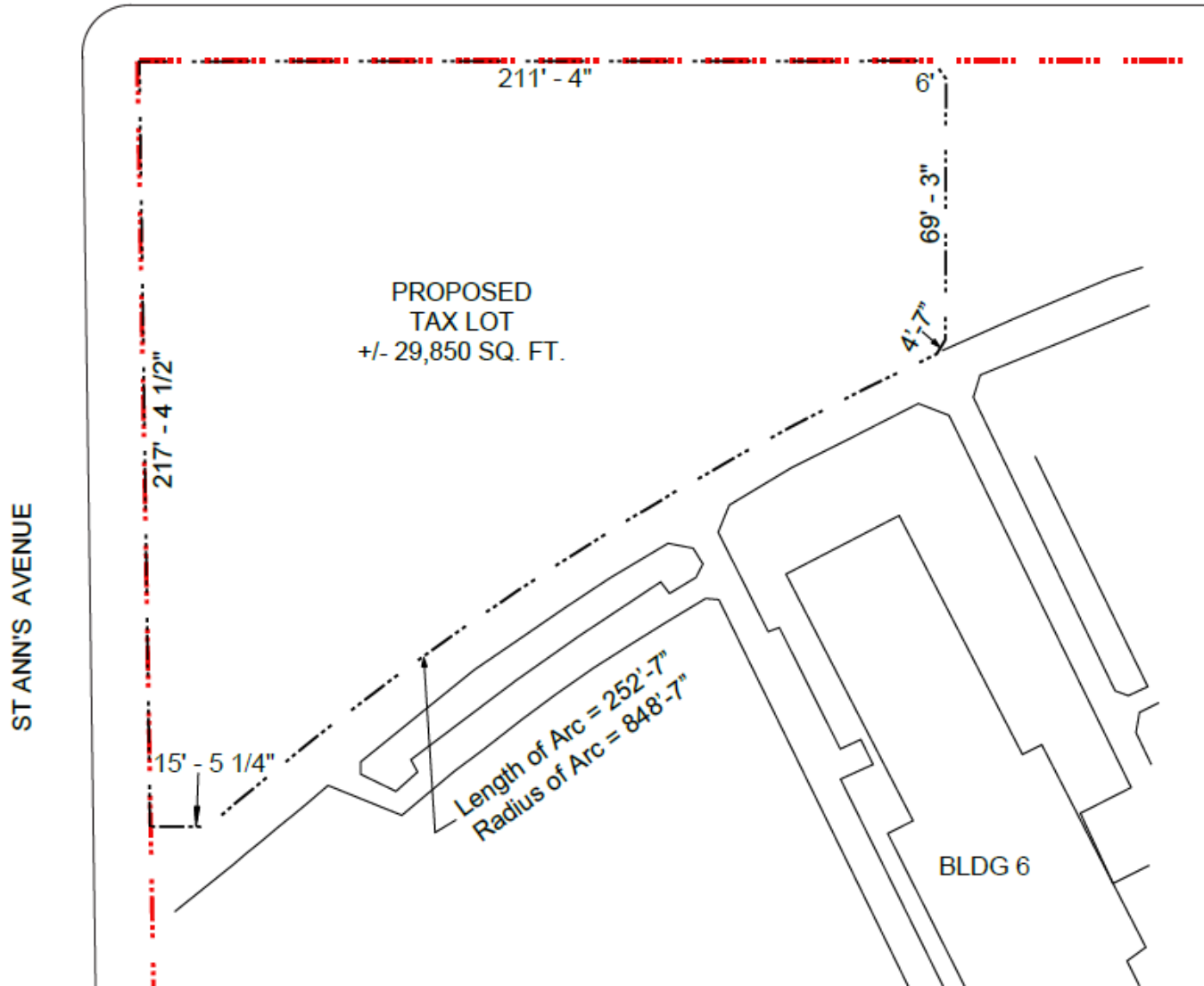
EXHIBIT A:
Development Site Maps

Mill Brook Site, Mott Haven, Bronx



Mill Brook Site

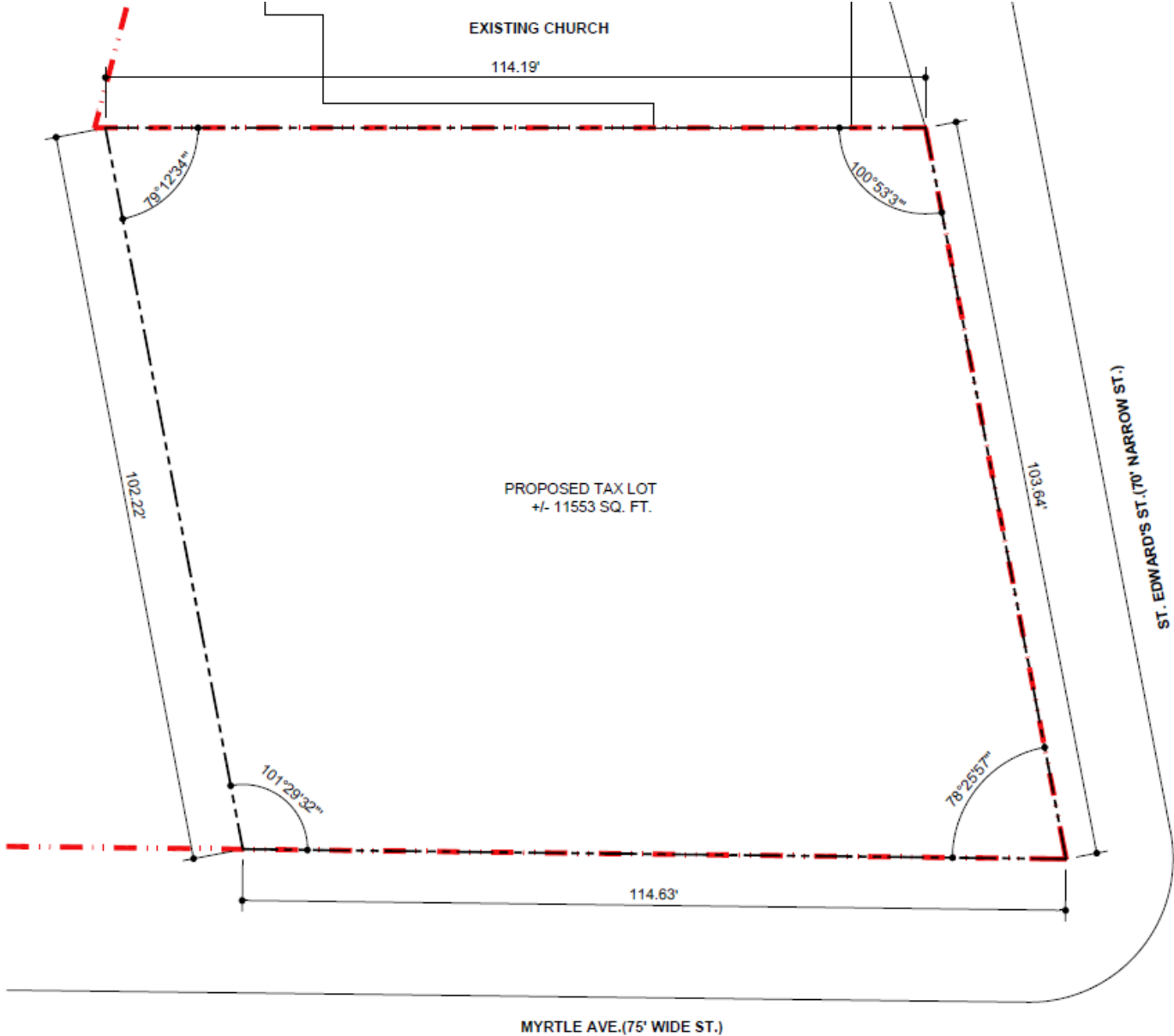
EAST 137th STREET



Ingersoll Site, Fort Greene, Brooklyn



Ingersoll Site



Van Dyke Site, Brownsville, Brooklyn



EXHIBIT B:
2011 Enterprise Green Communities
Criteria Certification Overlay for NYC
HPD Projects

2011 Enterprise Green Communities Criteria Certification Overlay for NYC HPD Projects - August 2012

This overlay provides clarifications and instructions for the technical requirements for development projects required to certify through the Enterprise Green Communities Criteria, which are financed by the New York City Department of Housing Preservation and Development (HPD).

To achieve Enterprise Green Communities Certification, all projects must achieve compliance with the Criteria's mandatory measures applicable to that construction type. In addition, new construction projects must achieve 35 additional points, and rehabilitation projects must achieve 30 additional points. This overlay requires that projects achieve respective points in the measures required by the HPD as outlined in the checklist below.

- ◆ Together, the mandatory criteria along with the HPD required criteria represent the minimum threshold for a new construction or rehabilitation project financed by HPD, and represent 34 points.
- ◆ New construction projects which require 35 points must select 1 additional point to meet the minimum requirement for certification.
- ◆ Projects can elect to go beyond this minimum set of criteria to meet the development goals of the project by selecting additional optional points beyond measures required by HPD.
- ◆ Projects that do not meet the "as of right" criteria for New York City, as projected for criteria 2.4 and 2.8, and fall below the respective point requirement, will have to implement alternate measures to achieve the point requirement for certification.

This checklist summarizes the Green Communities Criteria and HPD's modifications and clarifications. Except as indicated below, projects should refer to the full 2011 Enterprise Green Communities Criteria for detailed guidance.

KEY

M = Mandatory

= Points required by HPD

= Available optional points

1: INTEGRATIVE DESIGN

___ YES ___ NO ___ MAYBE **M**

1.1a Green Development Plan: Integrative Design Meeting(s)

Conduct one or more integrative design meetings and submit a Green Development Plan or equivalent documentation.

___ YES ___ NO ___ MAYBE **M**

1.1b Green Development Plan: Criteria Documentation

Create design and construction documentation to include information on implementation of appropriate Enterprise Green Communities Criteria.

___ YES ___ NO ___ MAYBE **2**

1.2a Universal Design (*New Construction only*)

Design a minimum of 15% of the dwelling units (no fewer than one) in accordance with ICC/ANSI A117.1, Type A, Fully Accessible guidelines.

___ YES ___ NO ___ MAYBE **2 or 3**

1.2b Universal Design (*Substantial and Moderate Rehab only*)

Design a minimum of 10% of the dwelling units (no fewer than one) in accordance with ICC/ANSI A117.1, Type A, Fully Accessible guidelines [2 points] and, for an additional point, the remainder of the ground-floor units and elevator-reachable units should have accessible unit entrances.

_____ SUBTOTAL POINTS

2: LOCATION + NEIGHBORHOOD FABRIC

___ YES ___ NO ___ MAYBE **M**

2.1 Sensitive Site Protection (*New Construction only*)

Do not locate new development, including buildings, built structures, roads, or other parking areas, on portions of sites that meet any of the following provisions:

- Land within 100 feet of wetlands, including isolated wetlands or streams
- Land on slope greater than 15%
- Land with prime soils, unique soils, or soils of state significance
- Public parkland
- Land that is specifically identified as habitat for any species on federal or state threatened or endangered lists
- Land with elevation at or below the 100-year floodplain2: Location + Neighborhood Fabric

HPD Overlay: Clarification

Infill sites and previously developed sites are exempt from all provisions.

___ YES ___ NO ___ MAYBE **M**

2.2 Connections to Existing Development and Infrastructure

(New Construction only, except for projects located on rural tribal lands, in colonias communities, or in communities of population less than 10,000)

Locate project on a site with access to existing roads, water, sewers, and other infrastructure within or contiguous to existing development. Connect the project to the pedestrian grid.

___ YES ___ NO ___ MAYBE **M**

2.3 Compact Development *(New Construction only)*

Design and build the project to a density of at least:

- *Urban/Small Cities*: 10 dwelling units per acre, or at least 75% of surrounding net residential density, whichever is greater
- *Suburban/Mid-Size Towns*: 7 dwelling units per acre, or at least 75% of surrounding net residential density, whichever is greater
- *Rural/Tribal/Small Towns*: 5 units per acre for detached or semi-detached housing; 10 units per acre for townhomes; 15 units per acre for apartments

___ YES ___ NO ___ MAYBE **5 or 6**
HPD Required

2.4 Compact Development

Design and build the project to a density of at least:

- *Urban/Small Cities*: 15 dwelling units per acre, or at least 75% of surrounding net residential density, whichever is greater *[5 points]*
- *Suburban/Mid-Size Towns*: 10 dwelling units per acre, or at least 75% of surrounding net residential density, whichever is greater *[6 points]*
- *Rural/Tribal/Small Towns*: 7.5 units per acre for detached or semi-detached housing; 12 units per acre for townhomes; 20 units per acre for apartments *[6 points]*

HPD Overlay: Modification

Most HPD projects will meet this requirement as of right. HPD rehab projects with no change in unit count are ineligible for these points.

___ YES ___ NO ___ MAYBE **M**

2.5 Proximity to Services *(New Construction only)*

Locate the project within:

- *Urban/Small Cities*: a 0.25-mile walk distance of at least two **OR** a 0.5-mile walk distance of at least four of the list of facilities
- *Suburban/Mid-Size Towns*: a 0.5-mile walk distance of at least three **OR** a 1-mile walk distance of at least six of the list of facilities
- *Rural/Tribal/Small Towns*: two miles of at least two of the list of facilities

___ YES ___ NO ___ MAYBE **M**

2.6 Preservation of and Access to Open Space: Rural/Tribal/Small Towns Only *(New Construction only)*

Set aside a minimum of 10% of the total project acreage as open space for use by residents **OR** locate project within a 0.25-mile walk distance of dedicated public open space that is a minimum of 0.75 acres

HPD Overlay: Clarification

This criteria does not apply to projects in New York City.

___ YES ___ NO ___ MAYBE **3 max**

2.7 Preservation of and Access to Open Space

Set aside a percentage of the total project acreage as open space for use by residents: 20% *[1 point]*; 30% *[2 points]*; and 40% + written statement of preservation/conservation policy for set-aside land *[3 points]*

___ YES ___ NO ___ MAYBE **5**
HPD Required

2.8 Access to Public Transportation

Locate the project within:

- *Urban/Small Cities*: a 0.5-mile walk distance of combined transit services (bus, rail, and ferry) constituting 76 or more transit rides per weekday and 32 or more transit rides on the weekend
- *Suburban/Mid-Size Towns*: a 0.5-mile walk distance of combined transit services (bus, rail, and ferry) constituting 60 or more transit rides per weekday and some type of weekend ride option
- *Rural/Tribal/Small Towns*: 5-mile distance of either a vehicle share program, a dial-a-ride program, an employer van pool, or public-private regional transportation

HPD Overlay:

Most HPD projects will meet this criteria as of right.

___ YES ___ NO ___ MAYBE **5**

2.9 Walkable Neighborhoods: Connections to Surrounding Neighborhood—Rural/Tribal/Small Towns

Connect the project to public spaces, open spaces, and adjacent development by providing at least three separate connections from the project to sidewalks or pathways in surrounding neighborhoods and natural areas.

HPD Overlay: Clarification

This criteria does not apply to projects in New York City.

___ YES ___ NO ___ MAYBE **7 max**

2.10 Smart Site Location: Passive Solar Heating/Cooling

Demonstrate a building with a passive solar design, orientation, and shading that meet specified guidelines. *Select one*:

- Single building—New Construction [7 points]
 - Multiple buildings—New Construction [7 points]
 - Moderate or Substantial Rehab [7 points]
-

___ YES ___ NO ___ MAYBE **2**

2.11 Brownfield or Adaptive Reuse Site

Locate the project on a brownfield or adaptive reuse site. *Select either*: adaptive reuse site [2 points] or brownfield remediation [2 points]

___ YES ___ NO ___ MAYBE **6**

2.12 Access to Fresh, Local Foods

Pursue one of three options to provide residents and staff with access to fresh, local foods, including neighborhood farms and gardens; community-supported agriculture; proximity to farmers market.

___ YES ___ NO ___ MAYBE **4**

2.13 LEED for Neighborhood Development Certification

Locate the project in a Stage 2 Pre-Certified LEED for Neighborhood Development plan or a Stage 3 LEED for Neighborhood Development Certified Neighborhood Development.

_____ SUBTOTAL POINTS

3: SITE IMPROVEMENTS

___ YES ___ NO ___ MAYBE **M**

3.1 Environmental Remediation

Conduct an environmental site assessment to determine whether any hazardous materials are present on site.

HPD Overlay: Modification

New Construction, Third Party Transfer, and Participation Loan Program projects require Phase 1 Environmental Assessments. All other projects should comply with the applicable environmental assessment requirements of the HPD programs. Projects not producing Phase 1 reports should submit a memo outlining the assessment and remediation measures taken.

___ YES ___ NO ___ MAYBE **M**

3.2 Erosion and Sedimentation Control *(Except for infill sites with buildable area smaller than one acre)*

Implement EPA's Best Management Practices for erosion and sedimentation control during construction.

___ YES ___ NO ___ MAYBE **M**

3.3 Low-Impact Development *(New Construction only)*

Projects located on greenfields must meet the list of low-impact development criteria.

___ YES ___ NO ___ MAYBE **M**

3.4 Landscaping

Provide new plants (including trees, shrubs, and ground cover) such that at least 50% of area available for landscaping is planted with native or adaptive species, all new plants are appropriate to the site's soil and microclimate, and none of the new plants is an invasive species.

___ YES ___ NO ___ MAYBE **M**

3.5 Efficient Irrigation and Water Reuse

If irrigation is utilized, install an efficient irrigation or water reuse system.

HPD Overlay: Recommendation

Sub-meter the exterior hose connection or irrigation system.

___ YES ___ NO ___ MAYBE **2 or 6**

3.6 Surface Stormwater Management

Retain, infiltrate, and/or harvest stormwater on site. *Select only one: partial stormwater retention [2 points] or full stormwater retention [6 points]*

_____ SUBTOTAL POINTS

4: WATER CONSERVATION

___ YES ___ NO ___ MAYBE **M**

4.1 Water-Conserving Fixtures

Install or retrofit water-conserving fixtures in all units and any common facilities with the following specifications: Toilets—1.28 gpf; Urinals—0.5 gpf; Showerheads—2.0 gpm; Kitchen faucets—2.0 gpm; Bathroom faucets—1.5 gpm

HPD Overlay: Clarification

HPD funded projects using the HPD Standard Specifications **must** meet:

- Toilets – 1.28 gpf
- Showerheads – 1.5 gpm
- Kitchen faucets – 1.5 gpm
- Bathroom faucets – 0.5 gpm
- Urinals – 0.5 gpf

HPD Overlay: Modification

Any toilet specified must have a minimum rating of 750g from the Maximum Performance (MaP) Testing program.

___ YES ___ NO ___ MAYBE **6 max**

4.2 Advanced Water-Conserving Appliances and Fixtures

HPD Required

Install or retrofit water-conserving fixtures in all units and any common facilities with the following specifications:

- Toilets – 1.2 gpf
- Showerheads – 1.5 gpm
- Kitchen faucets – 1.5 gpm
- Bathroom faucets – 0.5 gpm

Toilets *[2 points]*

Showerheads *[2 points]*

Faucets—kitchen and bathroom *[2 points]*

HPD Overlay Clarification:

New York City projects using the HPD Standard Specification will achieve 4 points in this category for showerheads and kitchen and bathroom faucets. While projects are required to meet the flow rates from showerheads and faucets in this criteria, projects may elect to optionally achieve the 1.2 gpf for toilets. Any toilet specified must have a minimum rating of 750g from the Maximum Performance (MaP) Testing program.

___ YES ___ NO ___ MAYBE **4**

4.3 Water Reuse

Harvest, treat, and reuse rainwater and/or greywater to meet a portion of the project's water needs.

- 10% reuse *[1 point]*
- 20% reuse *[2 points]*
- 30% reuse *[3 points]*
- 40% reuse *[4 points]*

_____ SUBTOTAL POINTS

5: ENERGY EFFICIENCY

YES NO MAYBE **M**

5.1a Building Performance Standard: Single Family and Multifamily (three stories or fewer) *(New Construction only)*

Certify the project under ENERGY STAR New Homes.

HPD Overlay: Modification

In cases where a single project includes low-rise buildings and two or more multifamily buildings of four stories or more, the project may choose to apply the specifications, work scope, and verification standards of the multifamily buildings in lieu of this criteria.

Such projects must meet the following characteristics:

1. Two or more multifamily buildings of four stories or more in the same project will comply with 5.1b
2. The combined unit count of the low-rise buildings is 25% or less of the total project unit count

YES NO MAYBE **M**

5.1b Building Performance Standard: Multifamily (four stories or more) *(New Construction only)*

Demonstrate compliance with EPA's Multifamily High-Rise program (MFHR) using either the prescriptive or the performance pathway.

HPD Overlay: Clarification

Enterprise requires that projects follow the MFHR program standards, but does not require projects be submitted to EPA for certification.

NYSERDA Multifamily Performance Program (MPP) New Construction component projects meet the requirements of 5.1b automatically, as MPP NC is a New York State implementation of MFHR.

Projects that do not submit to the EPA and not part of NYSERDA MPP must follow the verification protocols specified by Enterprise.

YES NO MAYBE **M**

5.1c Building Performance Standard: Single Family and Multifamily (three stories or fewer) *(Substantial and Moderate Rehab only)*

Demonstrate that the final energy performance of the building is equivalent to a Home Energy Rating System (HERS) Index of 85.

HPD Overlay: Modification

In cases where a single project includes low-rise buildings and two or more multifamily buildings of four stories or more, the project may choose to apply the specifications, work scope, and verification standards of the multifamily buildings in lieu of this criteria.

Such projects must meet the following characteristics:

1. Two or more multifamily buildings of four stories or more in the same project will comply with 5.1d
2. The combined unit count of the low-rise buildings is 25% or less of the total project unit count

___ YES ___ NO ___ MAYBE **M**

5.1d Building Performance Standard: Multifamily (four stories or more)

(Substantial and Moderate Rehab only)

Demonstrate that the final energy performance of the building is equivalent to ASHRAE 90.1-2007.

HPD Overlay: Modification

NYSERDA Multifamily Performance Program (MPP) Existing Buildings projects may substitute the MPP EB performance requirements for 5.1d.

___ YES ___ NO ___ MAYBE **15 max**

5.2 Additional Reductions in Energy Use

Improve whole-building energy performance by percentage increment above baseline building performance standard for additional points.

HPD Overlay: Modification

NYSERDA Multifamily Performance Program (MPP) Existing Buildings component projects may claim these additional points if the project model demonstrates that the final energy performance exceeds ASHRAE 90.1-2007.

___ YES ___ NO ___ MAYBE **M**

5.3 Sizing of Heating and Cooling Equipment and Ducts

Size heating and cooling equipment in accordance with the Air Conditioning Contractors of America (ACCA) Manuals, Parts J, S, and D, or ASHRAE handbooks.

___ YES ___ NO ___ MAYBE **M**

5.4 ENERGY STAR Appliances

If providing appliances, install ENERGY STAR–labeled clothes washers, dishwashers, and refrigerators.

___ YES ___ NO ___ MAYBE **M**

5.5a Efficient Lighting: Interior Units

Install efficient interior lighting, appropriate for project type, either ENERGY STAR Advanced Lighting Package (ALP) or lighting specified in EPA's MFHR program.

HPD Overlay: Clarification

Projects may use fixtures that are not ENERGY STAR qualified by demonstrating equivalent energy performance.

Technical specifications to demonstrate ENERGY STAR equivalency are located on the ENERGY STAR website at:

http://www.energystar.gov/index.cfm?c=product_specs.pt_product_specs

___ YES ___ NO ___ MAYBE **M**

5.5b Efficient Lighting: Common Areas and Emergency Lighting

(All Multifamily projects)

Install efficient lighting in common areas and for emergency lighting, appropriate for project type. For multifamily projects with three stories or fewer, install ENERGY STAR–labeled fixtures, LEDs, T8 fixtures with electronic ballasts or better, or equivalent. For multifamily projects with four stories or more, install lighting specified in EPA's MFHR program.

HPD Overlay: Clarification

Projects may use fixtures that are not ENERGY STAR labeled by demonstrating equivalent energy performance.

Technical specifications to demonstrate ENERGY STAR equivalency are located on the ENERGY STAR website at:

http://www.energystar.gov/index.cfm?c=product_specs.pt_product_specs

YES NO MAYBE **M**

5.5c Efficient Lighting: Exterior

Install efficient exterior lighting, appropriate for project type: either ENERGY STAR compact fluorescents or LEDs, or lighting specified in EPA's MFHR program.

HPD Overlay: Clarification

Exterior lights must be full cut-off, Dark Sky approved fixtures, or project must document intent to eliminate light trespass through design.

YES NO MAYBE **M**

5.6a Electricity Meter (*New Construction and Substantial Rehab only*)

Install individual or sub-metered electric meters in all dwelling units.

YES NO MAYBE **3**

5.6b Electricity Meter (*Moderate Rehab only*)

Install individual or sub-metered electric meters in all dwelling units.

YES NO MAYBE **12 max**

5.7a Renewable Energy

Install photovoltaic (PV) panels, wind turbines, or other electric-generating renewable energy source to provide a specified percentage of the project's estimated energy demand.

YES NO MAYBE **1 or 2**

5.7b Photovoltaic/Solar Hot Water Ready

Site, design, engineer, and/or plumb the development to accommodate installation of photovoltaic (PV) or solar hot water system in the future.

HPD Overlay: Clarification

Projects are urged to implement a solar-ready design.

YES NO MAYBE **5**

5.8 Advanced Metering Infrastructure

Site, design, engineer, and wire the development to accommodate installation of smart meters and/or be able to interface with smart grid systems in the future.

_____ SUBTOTAL POINTS

6: MATERIALS BENEFICIAL TO THE ENVIRONMENT

___ YES ___ NO ___ MAYBE **M**

6.1 Low/No VOC Paints and Primers

All interior paints and primers must be less than or equal to the following VOC levels: Flats—50 g/L; Non-flats—50 g/L; Floor—100 g/L

___ YES ___ NO ___ MAYBE **M**

6.2 Low/No VOC Adhesives and Sealants

All adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. All caulks and sealants must comply with regulation 8, rule 51, of the Bay Area Air Quality Management District.

HPD Overlay: Clarification

This requirement applies only to interior caulks and sealants, where 'interior' is defined to be anything on the inside of the weather barrier.

___ YES ___ NO ___ MAYBE **M**

6.3 Construction Waste Management

Commit to following a waste management plan that reduces non-hazardous construction and demolition waste by at least 25% by weight through recycling, salvaging, or diversion strategies.

HPD Overlay: Clarification

All HPD projects meet this requirement as of right based on NYC average construction waste diversion rates.

___ YES ___ NO ___ MAYBE **5 max**

6.4 Construction Waste Management: Optional

Determine percentage of waste diversion and earn all points below that threshold:

- 35% waste diversion [1 point]
- 45% waste diversion [1 point]
- 55% waste diversion [1 point]
- 65% waste diversion [1 point]
- 75% waste diversion [1 point]

HPD Overlay: Clarification

Projects are strongly urged to implement this measure. Projects meeting this optional criteria must provide supporting documentation of a specific strategy to meet the diversion rates - points will not be awarded based on average diversion rates. Projects not meeting criteria 2.4 Compact Development as of right may choose to implement this measure.

___ YES ___ NO ___ MAYBE **5**

HPD Required

6.5 Recycling Storage for Multifamily Project

Provide one or more easily accessible, permanent areas for the collection and storage of materials for recycling.

HPD Overlay:

All projects must meet this requirement.

___ YES ___ NO ___ MAYBE **5 max**

6.6 Recycled Content Material

Incorporate building materials that are composed of at least 25% post-consumer recycled content or at least 50% post-industrial recycled content.

Select from the following:

- Framing materials [1 point]
- Exterior materials: siding, masonry, roofing [1 point]
- Concrete/cement and aggregate [1 point]
- Drywall/interior sheathing [1 point]
- Flooring materials [1 point]

___ YES ___ NO ___ MAYBE **5 max**

6.7 Regional Material Selection

Use products that were extracted, processed, and manufactured within 500 miles of the home or building for a minimum of 50% of the building material value (based on cost). *Select any or all of these options:*

- Framing materials [1 point]
- Exterior materials: siding, masonry, roofing [1 point]
- Concrete/cement and aggregate [1 point]
- Drywall/interior sheathing [1 point]
- Flooring materials [1 point]

___ YES ___ NO ___ MAYBE **5**

6.8 Certified, Salvaged, and Engineered Wood Products

Commit to using wood products and materials of at least 25% that are (by cost): FSC-certified, salvaged products, or engineered framing materials without urea-formaldehyde binders.

___ YES ___ NO ___ MAYBE **1 or 3**

HPD Required

6.9a Reduced Heat-Island Effect: Roofing

Use Energy Star-compliant roofing or install a “green” (vegetated) roof for at least 50% of the roof area. *Select only one: cool roof [3 points] or green roof [1 point]*

HPD Overlay: Modification

All projects must install a cool roof over 100% of the roof area, or a combination of a cool roof and a green roof covering 75% of the roof area.

___ YES ___ NO ___ MAYBE **2**

6.9b Reduced Heat-Island Effect: Paving

Use light-colored, high-albedo materials and/or an open-grid pavement, with a minimum solar reflectance of 0.3, over at least 50% of the site’s hardscaped area.

HPD Overlay: Clarification

Projects are strongly urged to implement this measure.

_____ SUBTOTAL POINTS

7: HEALTHY LIVING ENVIRONMENT

___ YES ___ NO ___ MAYBE **M**

7.1 Composite Wood Products that Emit Low/No Formaldehyde

All composite wood products must be certified compliant with California 93120. If using a composite wood product that does not comply with California 93120, all exposed edges and sides must be sealed with low-VOC sealants.

___ YES ___ NO ___ MAYBE **M**

7.2 Environmentally Preferable Flooring

Do not install carpets in entryways, laundry rooms, bathrooms, kitchens/kitchenettes, utility rooms, and all rooms of ground-connected floors. Any carpet products used must meet the Carpet and Rug Institute's Green Label or Green Label Plus certification for carpet, pad, and carpet adhesives. Any hard surface flooring products used must be either ceramic tile, unfinished hardwood floors, **OR** in compliance with the Scientific Certification System's FloorScore program criteria.

HPD Overlay: Clarification

Hard surface flooring products may be pre-finished environmentally preferable materials, such as bamboo.

___ YES ___ NO ___ MAYBE **4**

7.3 Environmentally Preferable Flooring: Alternative Sources

Use non-vinyl, non-carpet floor coverings in all rooms of building.

___ YES ___ NO ___ MAYBE **M**

7.4a Exhaust Fans: Bathroom (*New Construction and Substantial Rehab only*)

Install Energy Star-labeled bathroom fans that exhaust to the outdoors, are connected to a light switch, and are equipped with a humidistat sensor, timer, or other control (e.g., occupancy sensor, delay off switch, ventilation controller).

HPD Overlay: Clarification

All new construction projects with mechanical exhaust ventilation must specify properly sealed ductwork and specify a means of exhaust balancing. Constant Airflow Regulators are recommended.

All substantial rehab projects with existing central exhaust ventilation systems must specify cleaning, sealing, balancing, and right-sizing roof-top fans.

___ YES ___ NO ___ MAYBE **6**

7.4b Exhaust Fans: Bathroom (*Moderate Rehab only*)

Install Energy Star-labeled bathroom fans that exhaust to the outdoors, are connected to a light switch, and are equipped with a humidistat sensor, timer, or other control (e.g., occupancy sensor, delay off switch, ventilation controller).

HPD Overlay: Modification

All projects with existing mechanical exhaust ventilation must calculate cost/benefit of cleaning, sealing, balancing, and right-sizing roof-top fans.

1. Roof fans up to 300 design cfm must be direct-drive and variable-speed control with speed controller mounted near the fan.
 2. Roof fans between 300-2000 design cfm must be direct-drive, variable-speed control, and ECM, with speed controllers mounted near the fan.
-

___ YES ___ NO ___ MAYBE **M**

7.5a Exhaust Fans: Kitchen (*New Construction and Substantial Rehab only*)

Install power-vented fans or range hoods that exhaust to the exterior at the appropriate cfm rate, per ASHRAE 62.2, or install a central ventilation system with rooftop fans that meet efficiency criteria:

HPD Overlay: Modification

1. Roof fans up to 300 design cfm must be direct-drive and variable-speed control with speed controller mounted near the fan.
2. Roof fans between 300-2000 design cfm must be direct-drive, variable-speed control, and ECM, with speed controllers mounted near the fan.

___ YES ___ NO ___ MAYBE **6**

7.5b Exhaust Fans: Kitchen *(Moderate Rehab only)*

Install power-vented fans or range hoods that exhaust to the exterior at the appropriate cfm rate, per ASHRAE 62.2, or install a central ventilation system with rooftop fans that meet efficiency criteria.

HPD Overlay: Modification

1. Roof fans up to 300 design cfm must be direct-drive and variable-speed control with speed controller mounted near the fan.
2. Roof fans between 300-2000 design cfm must be direct-drive, variable-speed control, and ECM, with speed controllers mounted near the fan.

___ YES ___ NO ___ MAYBE **M**

7.6a Ventilation *(New Construction and Substantial Rehab only)*

Install a ventilation system for the dwelling unit capable of providing adequate fresh air per ASHRAE requirements for the building type.

HPD Overlay: Clarification

New construction multifamily projects with central ventilation systems must establish ventilation rates for bathrooms, kitchens, and units based on ASHRAE 62.2-2010 requirements. Using these ventilation levels, Install a centralized ventilation system that is balanced to run at the required ASHRAE 62.2-2010 levels for each unit and 62.1-2010 levels for common spaces. Provide calculations and information on controls used to achieve the residential in-unit ventilation requirement.

All substantial rehab projects with existing central exhaust ventilation systems must specify cleaning, sealing, balancing, and right-sizing roof-top fans to meet the requirements of 62.2-2010 and 62.1-2010 for residential units and common areas, respectively.

1. Roof fans up to 300 design cfm must be direct-drive and variable-speed control with speed controller mounted near the fan.
2. Roof fans between 300-2000 design cfm must be direct-drive, variable-speed control, and ECM, with speed controllers mounted near the fan.

___ YES ___ NO ___ MAYBE **5**

7.6b Ventilation *(Moderate Rehab only)*

Install a ventilation system for the dwelling unit capable of providing adequate fresh air per ASHRAE requirements for the building type.

HPD Overlay: Modification

All projects with existing mechanical exhaust ventilation must calculate cost/benefit of cleaning, sealing, balancing, and right-sizing roof-top fans.

___ YES ___ NO ___ MAYBE **M**

7.7 Clothes Dryer Exhaust

Clothes dryers must be exhausted directly to the outdoors using rigid-type duct work.

___ YES ___ NO ___ MAYBE **M**

7.8 Combustion Equipment

Specify power-vented or closed-combustion equipment when installing new space and water-heating equipment in New Construction and any Substantial and Moderate Rehab projects.

___ YES ___ NO ___ MAYBE **M**

7.9a Mold Prevention: Water Heaters

Provide adequate drainage for water heaters that includes drains or catch pans with drains piped to the exterior of the dwelling.

___ YES ___ NO ___ MAYBE **M**

7.9b Mold Prevention: Surfaces

In bathrooms, kitchens, and laundry rooms, use materials that have durable, cleanable surfaces.

___ YES ___ NO ___ MAYBE **M**

7.9c Mold Prevention: Tub and Shower Enclosures

Use non-paper-faced backing materials such as cement board, fiber cement board, or equivalent in bathrooms.

___ YES ___ NO ___ MAYBE **M**

7.10 Vapor Barrier Strategies *(New Construction and Rehab Projects with foundation work only)*

Install vapor barriers that meet specified criteria appropriate for the foundation type.

___ YES ___ NO ___ MAYBE **M**

7.11 Radon Mitigation *(New Construction and Substantial Rehab only)*

For New Construction in EPA Zone 1 and 2 areas, install passive radon-resistant features below the slab. For Substantial Rehab projects in those Zones, test for the presence of radon and mitigate if elevated levels exist.

___ YES ___ NO ___ MAYBE **M**

7.12 Water Drainage *(New Construction and Rehab projects replacing assemblies called out in Criterion only)*

Provide drainage of water away from windows, walls, and foundations by implementing list of techniques.

___ YES ___ NO ___ MAYBE **M**

7.13 Garage Isolation

Follow list of criteria for projects with garages, including: provide a continuous air barrier between the conditioned (living) space and any garage space to prevent the migration of any contaminants into the living space, and install a CO alarm inside the house in the room with a door to the garage *and* outside all sleeping areas.

___ YES ___ NO ___ MAYBE **M**

7.14 Integrated Pest Management

Seal all wall, floor, and joint penetrations with low-VOC caulking or other appropriate sealing methods to prevent pest entry.

___ YES ___ NO ___ MAYBE **M**

7.15 Lead-Safe Work Practices *(Moderate and Substantial Rehab only)*

For properties built before 1978, use lead-safe work practices consistent with the EPA's Renovation, Repair, and Painting Regulation and applicable HUD requirements.

___ YES ___ NO ___ MAYBE **9**

7.16 Smoke-Free Building

Implement and enforce a no smoking policy in all common, individual living areas, and with a 25-foot perimeter around the exterior of all residential buildings.

HPD Overlay: Clarification

Learn about the benefits of implementing a smoke free building.

- ◆ Owners see reductions in property damage and turnover costs, and the potential for insurance savings by decreasing the likelihood of a fire.
- ◆ Residents enjoy breathing cleaner, healthier air in their homes and in common areas such as hallways, lobbies and stairwells.

Resources to learn about effective strategies are available through the NYC Health Department Smoke-Free Housing Kit:

<http://www.nyc.gov/html/doh/html/epi/smoke-free-housing.shtml>

_____ SUBTOTAL POINTS

8: OPERATIONS + MAINTENANCE

___ YES ___ NO ___ MAYBE **M**

8.1 Building Maintenance Manual *(All Multifamily Projects)*

Provide a building maintenance manual that addresses maintenance schedules and other specific instructions related to the building's green features.

___ YES ___ NO ___ MAYBE **M**

8.2 Resident Manual

Provide a guide for homeowners and renters that explain the intent, benefits, use, and maintenance of green building features.

___ YES ___ NO ___ MAYBE **M**

8.3 Resident and Property Manager Orientation

Provide a comprehensive walk-through and orientation for residents and property managers using the appropriate building maintenance or resident's manual.

___ YES ___ NO ___ MAYBE **12**

HPD Required

8.4 Project Data Collection and Monitoring System

Collect and monitor project performance data on energy, water, and, if possible, healthy living environments for a minimum of five years.

HPD Overlay: Modification

New construction projects are required to implement this criteria. Substantial and moderate rehab projects are required to set up a benchmarking account for owner-paid utilities with Step 1 (pre-construction) certification request, and to meet the tenant account requirement during lease-up and lease renewals. This requirement may be met through setting up an account with a benchmarking software provider for the required five year minimum period.

_____ SUBTOTAL POINTS

_____ **TOTAL POINTS**

EXHIBIT C:
HPD Design Guidelines
for New Construction

HPD Design Guidelines for New Construction

HPD has outlined a set of design principles and guidelines to foster quality and encourage creative approaches throughout the entire design development process. The design guidelines apply to all new construction housing projects subject to HPD review and approval.

The purpose of these guidelines is to establish minimum criteria for the design of quality housing. These guidelines are not intended to supersede the requirements of any other rules or regulations of any other agency having jurisdiction, in which case the more restrictive will govern.

Other agency rules and regulations may include but are not limited to New York City Building Code; Housing Maintenance Code; Zoning Resolution; Local Law 58 Handicap Standards, and particular program requirements. Also, projects must meet Federal, State, and City environmental laws, including those pertaining to: historic preservation; air, water, and noise quality; flood plain, wetland and coastal zone management; and solid waste management.

Guidelines using the word, must, are mandatory. However, the word, should, is advisory and minor deviations from the guidelines will be allowed if necessary to accommodate a clearly superior design. Substantial deviations from the advisory guidelines may disqualify proposals.

I. SITE PLANNING

A. Relationship to Neighborhood

1. When applicable, the height of a new building should relate to the prevailing heights of the existing buildings in the immediate neighborhood. The street wall and façade materials of any new building should visually and physically harmonize with the immediate neighborhood.
2. The design should be pedestrian friendly and provide architectural elements that generate activity, interest and interaction at the street level, such as stoops, porches, setbacks, bay windows, etc.

B. Outdoor Space

1. A variety of outdoor spaces should be programmed and landscaped for specific uses according to the project's intended population, e.g.
 - If provided, front yards should be appropriately landscaped.
 - toddler play area with matting and safe equipment
 - infrastructure for tenant gardens
 - seating and game tables in the shade
2. Outdoor spaces must be buffered from vehicular service areas.
3. Wherever possible, windows should be located to insure surveillance of public and private outdoor spaces.
4. A secure barrier, such as the building or a steel picket fence (chain link fence is not acceptable along the street), should protect the perimeter of the site. The number of entry points into a building or project site should be minimized.

5. Street trees must be provided along the street frontage as per the NYC department of Parks and Recreation and the NYC Department of Transportation standards.

C. Street Facade/Building Elevation

1. The façade materials of all new buildings should be compatible with the surrounding neighborhood. Brick should be used in neighborhoods with a predominantly brick character.
2. Dimensions and spacing of fenestration should echo neighborhood patterns and maximize daylight into the unit.
3. Color, texture, material, and fenestration should be used to:
 - relate to adjacent buildings
 - define the base, middle, and top of buildings
 - reinforce the human scale at the base level

D. Parking

1. Parking should be shielded from the street and from on-site open spaces. Trees should provide a canopy over the parking areas.
2. If a large number of parking spaces is needed, consideration should be given to parking below grade.
3. Front pad parking should be avoided.

II. BUILDING PLANNING

A. Lobby

1. The lobby should be treated as an attractive and gracious space with materials and furnishings that are attractive, durable, and easy to maintain.
2. The lobby should be undisrupted by other elements, i.e.
 - garbage removal should not pass through the lobby
 - the compactor chute should not open into the lobby
 - janitor's closet and fire stair should not be visible.
3. If a mailroom is provided, it should be located in an area that is visible and accessible from the lobby.
4. Natural light should be maximized, and if possible, a view of the exterior landscaped space should be exploited.
5. The primary vertical circulation/elevator should be visible and accessible from the lobby.
6. The lobby should be visible from the street to insure security. Main residential entry should be clearly articulated and differentiated from commercial/retail entry.
7. Entry from the project's open space, the parking area, and the sidewalk should lead directly into the same lobby.

B. Interior Circulation

1. Public circulation space should be minimized.
2. The interior circulation system should have a minimal number of changes in corridor direction and minimal recesses or offsets.

3. Natural light should be maximized in circulation spaces.

C. Community Spaces

1. A variety of community spaces should be programmed for specific uses and sized accordingly with appropriate finishes and furnishings, e.g.
 - children's indoor play room with safe and durable play equipment and playful finishes
 - party room or adult lounge with comfortable furniture, T.V., bar/kitchenette, in close proximity to laundry room
 - exercise room with ventilation and natural light
 - common laundry room conveniently located and directly accessible from the public circulation. In 1 to 3 family houses, provide laundry hook-up for the homeowner.
2. All community spaces should receive natural light and have direct physical and visual access to the outdoor recreation space.
3. Appropriate relationships between community spaces should be fostered.

D. Building Services

1. Janitor closets should be provided with slop sinks.
2. Provide vandal/frost-proof hose bibb at front and rear of building.
3. Provide trash chutes, recycling room, and trash compactor in elevator buildings with 30 or more dwelling units.
4. The compactor room should be located for convenient transport of compacted refuse to the outside, minimizing transportation of garbage through the building's circulation space or across outdoor space.
5. Curb-side storage space for refuse/recycling pick-up should be provided and screened from the sidewalk, street, and building entrance.

III. APARTMENT PLANNING

A. Unit Arrangement

1. There must be no circulation through bedrooms to other bedrooms or to primary bathrooms. Bathrooms should be near the bedrooms. Bathrooms must not open into the Living Room, Dining Room, or Kitchen. Circulation through the Living Room should be avoided.
2. All door placements and wall lengths should accommodate furniture placement.
3. Direct access to private outdoor space should be provided from a living space within the unit, not a bedroom.

B. Minimum Room Sizes

<u>Name of Space</u>	<u>0-BR</u>	<u>1-BR</u>	<u>2-BR</u>	<u>3-BR</u>	<u>4-BR</u>	<u>Least Dimension</u>
LR	NA	160	160	170	180	11'-0"
LR/DA	NA	210	210	230	250	11'-0"
LR/DA/SA	250	NA	NA	NA	NA	11'-0"
LR/DA/K	NA	270	270	300	330	11'-0"
LR/SA	210	NA	NA	NA	NA	11'-0"
K/DA	100	120	120	140	160	8'-0"
DR	NA	100	100	110	120	8'-0"
BR (primary)	NA	130	130	130	130	10'-0"
BR (secondary)	NA	NA	110	110	110	9'-4"

Abbreviations:

LR	-	Living Room
DR	-	Dining Room
K	-	Kitchen/Kitchenette
BR	-	Bedroom
SA	-	Sleeping Area
0-BR	-	Apartment with no separate bedroom
NA	-	Not applicable

Note: The room area shall be computed to the inside finished surfaces of the walls and partitions, and exclude columns, pipe chases, and closets.

C. Kitchenette/Kitchen

1. Kitchen to Living Room visibility should be maximized by pass-through openings, open counters, and half height partitions.
2. Plumbing and ventilation chase walls should be shared where possible, but not at the expense of the design.
3. Kitchen equipment must consist of a 30" range, refrigerator (14 c.f. min), 24" sink, base cabinets with countertop and wall hung cabinets. In 1 to 3 family homes, provision for dishwasher and hook-ups should be provided for the homeowner.
4. Countertop work surface should be located on both sides of the sink and both sides of the range.
5. The minimum length of countertop work surface (excluding sink and appliances) and cabinet shelving must be as follows:

<u>Apartment Type</u>	<u>Countertop Work Surface</u>	<u>Shelving</u>
0-BR	5 lin. Ft.	30 lin. Ft.
1-BR	6 lin. Ft.	40 lin. Ft.
2-BR	7 lin. Ft.	50 lin. Ft.
3-BR	8 lin. Ft.	55 lin. Ft.
4-BR	8 lin. Ft.	65 lin. Ft.

6. Base cabinets and countertops must be 2'-0" deep. Shelving must be 11^{1/2}" deep.

7. Pantries are desirable, encouraged, and qualify as required shelving.

D. Dining Area

Every dwelling unit must contain a space for dining, which accommodates a table and chairs for the intended maximum number of occupants.

E. Bathrooms

1. Every dwelling unit must contain at least one full bathroom containing a bathtub with showerhead, a sink, and a toilet. Compartmentalizing the bathroom, to enable simultaneous use by more than one person, is encouraged.
2. Three bedroom apartments must have an additional half bathroom containing a sink and a toilet, and possibly a shower.
3. Four bedroom apartments must contain two complete bathrooms.

F. Storage

1. Every dwelling must contain a coat closet that is convenient to the entrance and is at least 2'-0" deep and 3'-0" wide.
2. Every bedroom must contain a clothes closet that is at least 2'-0" deep and 5'-0" wide.
3. Every dwelling unit must contain storage for linens that is at least 1'-6" deep and 2'-0" wide.
4. Additional general storage space, such as a walk-in-closet, should be provided within each dwelling, especially for units with more than 2 bedrooms.

IV. HANDICAPPED/ ELDERLY REQUIREMENTS

In addition to meeting all other applicable laws and regulations, units designed for elderly and/or handicapped persons must meet the following provisions:

A. Lobby seating

In all projects designed for exclusive occupancy by elderly or handicapped persons, adequate sitting space with a view of the street or open space should be provided in the lobby or adjacent lobby of each building.

B. 2 person 0-BR units

Every 0-BR dwelling unit designed for occupancy by elderly or handicapped persons must accommodate two persons sleeping separately.

C. Outdoor space

1. In all projects designed for exclusive occupancy by elderly or handicapped persons, provisions should be made for sitting space for at least 20% of all residents in appropriate outdoor areas.
2. All outdoor space must be programmed and landscaped for specific uses.
3. All outdoor spaces must be buffered from vehicular service areas.

V. SUBMISSION REQUIREMENTS

All plans must be prepared by a Registered Architect or Professional Engineer. The developer or his agent must submit one easily reproduced copy of each of the following:

A. Plans:

Clearly indicate all community spaces on the appropriate floor plan (laundry room, playroom, adult lounge, etc).

- Site plan showing all walks, sidewalks, building access points, driveways, parking areas, play areas with equipment, benches, other exterior furnishings, trees, plant material, and elevations/grades.
- Street level commercial and/or residential lobby/entrance plan
- Typical residential floor plan
- Cellar or basement and roof plan
- Unit plans at 1/8"=1'-0".
- Any other plans needed to explain design concept.

B. Elevations

1. Street front elevations must indicate materials, colors, total building heights, and floor levels.
2. Elevations should show adjacent buildings to demonstrate the new building's compatibility.

C. Project Statistics and Zoning Analysis

1. Complete zoning analysis is required, including allowable and proposed F.A.R; open space requirements; lot area per zoning room or dwelling unit; and parking and dwelling unit count. Zoning analysis must cite all relevant sections of the Zoning Resolution.
2. Show proposed apartment distribution and indicate building code occupancy group, construction group, and construction class.
3. Provide Topographic Survey as needed.

**EXHIBIT D:
NYCHA Design Guidelines**

NYCHA Design Guidelines Addendum for New Construction

NYCHA has outlined a set of design principles and guidelines to foster quality and encourage creative approaches throughout the entire design development process for developments situated on land leased or disposed of by NYCHA. The design guidelines apply to all new construction housing projects subject to NYCHA/HPD review and approval.

- General Building Design Principles
 - Architectural design should respond to the local climate, topography, and history of the place, and should follow best practices.
 - The architectural design should blend, complement, or sensitively contrast with the existing structures and / or salient neighborhood features.
 - Active Design elements are encouraged throughout the building layout, as well as accessory outdoor spaces: make interior and exterior spaces safer and more inviting to encourage active use for health benefits: hyperlink is: <http://centerforactivedesign.org/guidelines/>.
 - The design should be pedestrian-friendly and provide architectural elements that generate activity, interest and interaction at the street level. Promote active uses on the First Floor related to public spaces, where appropriate, such as community rooms, laundry rooms, and other social spaces.
 - In higher density, mixed-use districts, and where there is market demand, include retail space at the street frontage where zoned for Commercial use to maintain storefront continuity.

- Ground Floor Activation
 - Create vibrant outdoor green spaces that contain a mix of uses and have a variety of programming;
 - Weave NYCHA developments back into the surrounding community through street-facing installations. This could be through temporary structures, art installations, street furniture, and/or landscaping;
 - Increase pedestrian activity by redesigning walkways, revisiting circulation plans, and considering ways to bring the street grid back into NYCHA superblocks;
 - Face outwards with transparency through tools such as signage, increased use of glass or other transparent materials, awnings, or other structures;
 - Increase the resiliency of NYCHA campuses through landscaping to manage storm water flows; and
 - Incorporate principles of Crime Prevention through Environmental Design (CPTED) to increase safety and security.

I. SITE PLANNING

a) Relationship to Neighborhood

- i) New development should be considered within a larger urban context. It

should harmonize with adjacent buildings & heights, street walls, façade materials, uses, etc.

- ii) New development should help improve the existing site plan. It should relate well to the existing buildings and help distinguish and rationalize poorly defined open areas thereby facilitating their use.
 - iii) New development should connect and help to improve overall site circulation and access.
- b) Outdoor Space
- i) Open spaces should be designed using sustainable / green design principles, such as pervious materials (i.e. permeable pavers or porous concrete) at grade, rain gardens (vegetated or landscaped depressions), ROW Bioswales and/or tree pits (planted areas in the sidewalk that are designed to collect and manage stormwater), plants that require minimal watering (i.e. succulents), and shading through trees / shrubs – to complement the architectural features for same.
- c) Exterior Lighting

The overall design approach is to enhance security on the site by insuring the exterior lighting meets certain prescribed minimum foot-candles below, while maintain a “park-like setting” and complement the adjacent NYCHA campus. Wall-packs shall be avoided as much as possible. Instead, rely on post lighting and canopy-mounted lighting.

- Entrances to buildings and all means of egress shall have a minimum of 4 foot candles, extending 10'-0" from the entrance door.
- Parking Lots, Vehicular Circulation, and Exterior Compactor/Maintenance Areas shall have a minimum of 2 Foot Candles.
- Pedestrian post lights on 12'-0" high poles for walkways, seating and play areas shall have a minimum of 1 foot-candle.
- Light levels shall be the maximum without violating the State Energy Code.

Additional requirements for exterior lighting:

- All lighting shall be LED and shall meet the Illuminating Engineering Society of North America's LM-79 requirements for certification.
- Lighting shall be fully shielded or have full cut off and be Dark Sky compliant.

d) Street Facade/Building Elevation

1. The façade materials of all new buildings should be compatible with the surrounding neighborhood.
2. Dimensions and spacing of fenestration should echo neighborhood patterns and maximize daylight into the unit.
3. Incorporate environmental design principles to promote materials conservation.
4. Should provide at least 50% glazing for non-residential uses at the ground floor.
5. Color, texture, material, and fenestration should be used to:
 - relate to adjacent buildings
 - define the base, middle, and top of buildings
 - reinforce the human scale at the base level
 - minimize heat gain

II. BUILDING PLANNING

a) Lobby

- i) Stair halls should be as transparent as possible when located on an exterior wall, and promote usage as an “Active Design” feature.

b) Building Services

- i) Provide a waste management system for the building, including trash chutes on each floor, a recycling room on the First Floor, and a compactor room situated for the most efficient maintenance operations.

EXHIBIT E:
Equal Opportunity



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

EXECUTIVE ORDER NO. 50

APRIL 25, 1980

BUREAU OF LABOR SERVICES

By the power vested in me as Mayor of the City of New York,
it is hereby ordered:

Section 1. Purpose. It is the purpose of this Order to ensure compliance with the equal employment opportunity requirements of City, State and Federal law in City contracting.

§ 2. Bureau Continued. The Bureau of Labor Services shall continue to serve such purposes and to have such responsibilities as restated by this Order.

§ 3. Definitions. Whenever used in this Executive Order, the following terms shall have the following meanings:

(a) Bureau means the Bureau of Labor Services;

(b) construction project means any construction, reconstruction, rehabilitation, alteration, conversion, extension, improvement, repair or demolition of real property contracted by the City;

(c) contract means any written agreement, purchase order or instrument whereby the City is committed to expend or does expend funds in return for work, labor, services, supplies, equipment, materials, or any combination of the foregoing;

*amended
E.C. 94*

(i) Unless otherwise required by law, the term "contract" shall include any City grant, loan, guarantee or other City assistance for a construction project.

(ii) The term "contract" shall not include:

(A) contracts for financial or other assistance between the City and a government or government agency;

(B) contracts, resolutions, indentures, declarations of trust, or other instruments authorizing or relating to the authorization, issuance, award, and sale of bonds, certificates of indebtedness, notes or other fiscal obligations of the City, or consisting thereof; or

(C) employment by the City of its officers and employees which is subject to the equal employment opportunity requirements of applicable law.

(d) contracting agency means any administration, board, bureau, commission, department or other governmental agency of the City of New York, or any official thereof, authorized on behalf of the City to provide for, enter into, award or administer contracts;

(e) contractor means a person, including a vendor, who is a party or a proposed party to a contract with a contracting agency, first-level subcontractors of supply or service contractors, and all levels of subcontractors of construction contractors;

(f) Director means the Director of the Bureau of Labor Services;

(g) economically disadvantaged person means a person who, or a member of a family which, is considered economically disadvantaged under applicable law.

(h) employment report means a report filed by a contractor containing information as to the employment practices, policies and programs, employment statistics and collective bargaining agreements, if any, of the contractor in such form as the Bureau may direct by regulation;

(i) equal employment opportunity means the treatment of all employees and applicants for employment without unlawful discrimination as to race, creed, color, national origin, sex, age, handicap, marital status, sexual orientation or affectional preference in all employment decisions, including but not limited to recruitment, hiring, compensation, training and apprenticeship, promotion, upgrading, demotion, downgrading, transfer, lay-off and termination, and all other terms and conditions of employment except as provided by law;

(j) trainee means an economically disadvantaged person who qualifies for and receives training in one of the construction trades pursuant to a program other than apprenticeship programs, approved by the Bureau and, where required by law, the State Department of Labor or the United States Department of Labor, Bureau of Apprenticeship and Training.

§ 4. Responsibilities of Bureau. The responsibilities of the Bureau shall be as follows:

(a) To implement, monitor compliance with, and enforce this Order and programs established pursuant to City, State and Federal law requiring contractors to provide equal employment opportunity;

(b) To implement, monitor compliance with, and enforce on-the-job training requirements on construction projects;

(c) To monitor compliance by contractors with State and Federal prevailing wage requirements where required;

(d) To advise and assist contractors and labor unions with respect to their obligations to provide equal employment opportunity;

(e) To advise and assist persons in the private sector with respect to employment problems;

(f) To establish advisory committees, including representatives of employers, labor unions, community organizations and others concerned with the enforcement of this Order; and

(g) To serve as the City's principal liaison to Federal, State and local contract compliance agencies.

§ 5. Contract Provisions.

(a) Equal Employment Opportunity. A contracting agency shall include in every contract to which it becomes a party such provisions requiring the contractor to ensure equal employment opportunity as the Bureau may direct by regulation.

(b) On-the-Job Training. A contracting agency shall include in every contract concerning a construction project to which it becomes a party such provisions requiring the contractor to provide on-the-job training for economically disadvantaged persons as the Bureau may direct by regulation.

(c) Subcontractors. A contracting agency shall include in every contract to which it becomes a party such provisions requiring the contractor not to discriminate unlawfully in the selection of subcontractors as the Bureau may direct by regulation.

§ 6. Employment Reports.

(a) Submission Requirements. No contracting agency shall enter into a contract with any contractor unless such contractor's employment report is first submitted to the Bureau for its review. Unless otherwise required by law, an employment report shall not be required for the following:

(i) a contract in the amount of \$50,000 or less;

(ii) an emergency contract or other exempt contract except as the Bureau may direct by regulation; and

(iii) a contract with a contractor who has received a certificate of compliance with the equal employment opportunity requirements of applicable law from the Bureau, or an appropriate agency of the State of New York or the United States within the preceding twelve months, except as the Bureau may direct by regulation.

(b) Bureau Review. The Bureau shall review all employment reports to determine whether contractors are in compliance with the equal employment opportunity requirements of City, State and Federal law and the provisions of this Order. The contracting agency shall transmit the employment report to the Bureau within ten business days after the selection of a proposed contractor. A contracting agency may thereafter award a contract unless the Bureau gives prior written notice to the contracting agency and the contractor as follows:

(i) If the Bureau notifies the contracting agency and the contractor within five business days after the receipt by the Bureau of the employment report that the contractor has failed to submit a complete employment report, the Director may require the contracting agency to disapprove the contractor unless such deficiency is corrected in a timely manner;

(ii) If the Bureau notifies the contracting agency and the contractor within fifteen business days of the receipt by the Bureau of the completed employment report that the Bureau has found reason to believe that the contractor is not in substantial compliance with applicable legal requirements and the provisions of this Order, the Bureau shall promptly take such action as may be necessary to remedy the contractor's noncompliance as provided by this Order.

Provided that a contracting agency may award a requirements contract or an open market purchase agreement prior to review by the Bureau of the contractor's employment report, but may not make a purchase order against such contract or agreement until it has first transmitted such contractor's employment report to the Bureau and the Bureau has completed its review in the manner provided by this Section.

(c) Employment Program. The Bureau may require a contractor to adopt and adhere to a program designed to ensure equal employment opportunity.

(d) Periodic Reports. Contractors shall file periodic employment reports after the award of a contract in such form and frequency as the Bureau may direct by regulation to determine whether such contractors are in compliance with applicable legal requirements and the provisions of this Order.

§ 7. Training Programs. The Bureau shall monitor the recruitment, training and placement of economically disadvantaged persons in on-the-job training programs on construction projects. Contracting agencies shall require contractors to make a good faith effort to achieve the ratio of one trainee to four journey-level employees of each craft on each construction project.

(a) The Bureau shall determine the number of trainees and hours of training required by each contractor or subcontractor for each construction project.

(b) In the event that a contractor fails to make a good faith effort to train the required number of individuals for the required amount of hours, the Bureau, after consultation with the contracting agency, shall direct such agency to reduce the contractor's compensation by an amount equal to the amount of wages and fringe benefits which the contractor failed to pay to trainees.

(c) On-the-job training of economically disadvantaged persons shall not be required on construction contracts in the amount of \$125,000 or less.

§ 8. Compliance Investigations and Hearings. The Bureau shall conduct such investigations and hold such hearings as may be necessary to determine whether contractors are in compliance with the equal employment opportunity requirements of City, State and Federal law and the provisions of this Order.

(a) Voluntary Compliance. The Bureau shall seek to obtain the voluntary compliance of contractors and labor unions with applicable legal requirements and the provisions of this Order.

(b) Noncompliance. Upon receiving a complaint or at its own instance, the Bureau shall determine whether there is reason to believe a contractor is not in compliance with applicable legal requirements and the provisions of this Order.

(c) Hearings. The Bureau shall hold a hearing on prior written notice to a contractor and the contracting agency before any adverse determination is made with respect to such contractor's employment practices or imposing any sanction or remedy for non-compliance with applicable legal requirements and the provisions of this Order. The hearing shall be held before a City hearing officer, or such other person designated by the Director, who shall submit a report containing findings of fact and recommendations to the Director. Based on the record as a whole, the Director shall determine whether a contractor has failed to comply with applicable legal requirements or the provisions of this Order and the appropriate sanctions for noncompliance.

(d) Notices. The Bureau shall give prior notice of any hearing and shall provide a copy of any hearing report and determination of the Director under paragraph (c) of this Section to the contracting agency, the Corporation Counsel and the Comptroller. The Bureau shall notify appropriate City, State and Federal agencies of violations of law and may, with the approval of the Corporation Counsel, initiate proceedings in such agencies.

§ 9. Sanctions and Remedies. After making a determination that a contractor is not complying with applicable legal requirements and the provisions of this Order, the Director may direct that such sanctions as may be permitted by law or contractual provisions be imposed, including the disapproval of a proposed contractor, the suspension or termination of a contract and the reduction of a contractor's compensation, except as follows:

(a) Within five business days of the issuance of a determination by the Director under Section 8(c), a contracting agency head may file with the Director written objections to the sanctions to be imposed. Where such objections have been filed, the Director and the contracting agency head shall jointly determine the appropriate sanctions to be imposed.

(b) In lieu of any of the foregoing sanctions, the Director may require a contractor to adopt and adhere to a program to ensure equal employment opportunity.

§ 10. Public Agencies. Any administration, board, bureau, commission, department or other public agency, not subject to this Order, which imposes by rule, regulation or order equal employment opportunity requirements, may, with the consent of the Mayor, delegate such responsibilities to the Bureau as may be consistent with this Order.

§ 11. Confidentiality. To the extent permitted by law and consistent with the proper discharge of the Bureau's responsibilities under this Order, all information provided by a contractor to the Bureau shall be confidential.

§ 12. Regulations. The Bureau shall promulgate such regulations, subject to the approval of the Mayor, as may be necessary to discharge its responsibilities under this Order, including regulations increasing the dollar amounts referred to in this Order. Any regulations of the Bureau establishing terms and conditions for contractors shall be approved as to form by the Corporation Counsel.

EQUAL EMPLOYMENT OPPORTUNITY

This contract is subject to the requirements of Executive Order No. 50 (1980) as revised ("E.O.50") and the Rules and Regulations promulgated thereunder. No contract will be awarded unless and until these requirements have been complied with in their entirety. By signing this contract, the contractor agrees that it:

(1) will not engage in any unlawful discrimination against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability, marital status or sexual orientation with respect to all employment decisions including, but not limited to, recruitment, hiring, upgrading, demotion, downgrading, transfer, training, rates of pay or other forms of compensation, layoff, termination, and all other terms and conditions of employment;

(2) the contractor agrees that when it subcontracts it will not engage in any unlawful discrimination in the selection of subcontractors on the basis of the owner's race, color, creed, national origin, sex, age, disability, marital status or sexual orientation;

(3) will state in all solicitations or advertisements for employees placed by or on behalf of the contractor that all qualified applicants will receive consideration for employment without unlawful discrimination based on race, creed, color, national origin, sex, age, disability, marital status or sexual orientation, or that it is an equal employment opportunity employer;

(4) will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or memorandum of understanding, written notification of its equal employment opportunity commitments under E. O. 50 and the rules and regulations promulgated thereunder; and

(5) will furnish all information and reports including an Employment Report before the award of the contract which are required by E. O. 50, the rules and regulations promulgated thereunder, and orders of the Director of the Bureau of Labor Services ("Bureau"), and will permit access to its books, records and accounts by the Bureau for the purposes of investigation to ascertain compliance with such rules, regulations, and orders.

The contractor understands that in the event of its noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, such noncompliance shall constitute a material breach of the contract and noncompliance with the E.O. 50 and the rules and regulations promulgated thereunder. After a hearing held pursuant to the rules of the Bureau, the Director may direct the imposition by the contracting agency held of any or all of the following sanctions:

- (i) disapproval of the contractor;
- (ii) suspension or termination of the contract;
- (iii) declaring the contractor in default; or
- (iv) in lieu of any of the foregoing sanctions, the Director may impose an employment program.

The Director of the Bureau may recommend to the contracting agency head that a Board of Responsibility be convened for purposes of declaring a contractor who has repeatedly failed to comply with E.O. 50 and the rules and regulations promulgated thereunder to be nonresponsible.

The contractor agrees to include the provisions of the foregoing paragraphs in every subcontract or purchase order in excess of \$50,000 to which it becomes a party unless exempted by E.O. 50 and the rules and regulations promulgated thereunder, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Director of the Bureau of Labor Services as a means of enforcing such provisions including sanctions for noncompliance.

The contractor further agrees that it will refrain from entering into any contract or contract modification subject to E.O. 50 and the rules and regulations promulgated thereunder with a subcontractor who is not in compliance with the requirements of E.O. 50 and the rules and regulations promulgated thereunder."



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

Executive Order No. 108
December 29, 1986

Amendment of Executive Order No. 50
(April 25, 1980)

BUREAU OF LABOR SERVICES

By the power vested in me as Mayor of the City of New York,
it is hereby ordered:

Section 1. Prior Order Amended.

a. Section 6(a) of Executive Order No. 50, dated
April 25, 1980, is amended to read as follows:

"Submission Requirements. No contracting agency shall enter into a contract with any contractor unless such contractor's employment report is first submitted to the Bureau for its review. Unless otherwise required by law, an employment report shall not be required for the following:

(i) a construction contract in the amount of less than \$1 million; a construction subcontract in the amount of less than \$750,000; or a supply and service contract in the amount of \$50,000 or less or of more than \$50,000 in which the contractor employs fewer than 50 employees at the facility or facilities involved in the contract;

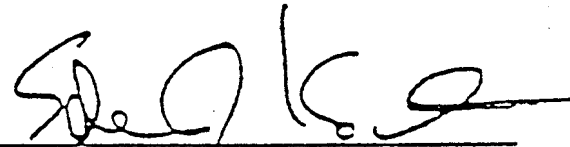
(ii) an emergency contract or other exempt contract, except as the Bureau may direct by regulation; and

(iii) a contract with a contractor who has received a certificate of compliance with the equal employment opportunity requirements of applicable law from the Bureau within the preceding twenty-four months, or an appropriate agency of the State of New York or of the United States within the preceding twelve months, except as the Bureau may direct by regulation."

b. Section 7(c) of such Order is amended to read as follows:

"On-the-job training of economically disadvantaged persons shall be required on all construction contracts covered by the submission requirements of this Order."

Section 2. Effective Date. This Order shall take effect immediately, but shall have no retrospective effect with respect to the two (2) year approval period provided for in Section 1(a) of this Order, amending Section 6(a) (iii) of Executive Order No. 50, dated April 25, 1980.



Edward I. Koch
M A Y O R



JUN 23 1986

THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

Executive Order No. 94
June 20, 1986

Amendment of Executive Order No. 50
(April 25, 1980)

BUREAU OF LABOR SERVICES

By the power vested in me as Mayor of the City of New York, it is hereby ordered:

Section 1. Prior Order Amended.

a. Section 1 of Executive Order No. 50, dated April 25, 1980, is amended to read as follows:

"Purpose. It is the purpose of this Order to ensure equal employment opportunity in City contracting."

b. Section 3(i) of such Order is amended to read as follows:

"equal employment opportunity means the treatment of all employees and applicants for employment without unlawful discrimination as to race, creed, color, national origin, sex, age, disability, marital status or sexual orientation in all employment decisions, including but not limited to recruitment, hiring, compensation, training and apprenticeship, promotion, upgrading, demotion, downgrading, transfer, lay-off and termination, and all other terms and conditions of employment;"

c. Section 5(a) of such Order is amended to read as follows:

"Equal Employment Opportunity. A contracting agency shall include in every

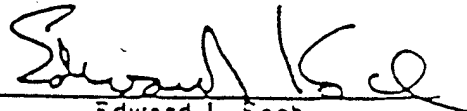
contract to which it becomes a party such provisions requiring the contractor to ensure equal employment opportunity as the Bureau may direct, consistent with this Order."

d. Section 12 of such Order is amended to read as follows:

"Regulations. The Bureau shall promulgate such regulations, subject to the approval of the Mayor, as may be necessary to discharge its responsibilities under this Order, including regulations increasing the dollar amounts and number of employees referred to in this Order. Any regulations of the Bureau establishing terms and conditions for contractors shall be approved as to form by the Corporation Counsel.

Nothing contained herein shall be construed to bar any religious or denominational institution or organization, or any organization operated for charitable or educational purposes, which is operated, supervised or controlled by or in connection with a religious organization, from limiting employment or giving preference to persons of the same religion or denomination or from making such selection as is calculated by such organization to promote the religious principles for which it is established or maintained. The regulations shall set forth this exemption for religiously-sponsored organizations and provide for the discharge of the Bureau's responsibilities in a manner consistent with such exemption."

Section 2. Effective Date. This Order shall take effect immediately.



Edward I. Koch
M A Y O R

§ 13. Annual Report. The Bureau shall submit an annual report to the Mayor concerning its responsibilities under this Order.

§ 14. Separability. If any provision of this Order or the application thereof is held invalid, the remainder of this Order and the application thereof to other persons or circumstances shall not be affected by such holding and shall remain in full force and effect.

§ 15. Revocation of Prior Orders. Executive Orders No. 71 (1968), No. 20 (1970), No. 23 (1970), No. 27 (1970), No. 31 (1971), No. 74 (1973), No. 7 (1974), and No. 80 (1977) are hereby revoked and the first paragraph of Section 2 of Executive Order No. 4 (1978) is hereby deleted. Nothing in this Order shall be deemed to relieve any person of any obligation not inconsistent with this Order assumed or imposed pursuant to an Order superseded by this Order.

§ 16. Effective Date. This Order shall take effect immediately.



EDWARD I. KOCH
M A Y O R

EXHIBIT F:
HPD-HDC Marketing Guidelines

MARKETING GUIDELINES

Updated March 2012



MARKETING GUIDELINES – TABLE OF CONTENTS

1. Introduction
2. Basic Sequence of Activities
3. Marketing Plan Checklist
4. Outline of Procedures
5. Submissions and Ongoing Reporting Requirements
6. List of Attachments

INTRODUCTION



MARKETING GUIDELINES – INTRODUCTION

WHAT THIS MANUAL IS:

The Marketing Guidelines describe policies, procedures, and certain requirements for the marketing and selection of residents for developments (“Projects”) subsidized by the New York City Department of Housing Preservation and Development (“HPD”) and/or the New York City Housing Development Corporation (“HDC”) (together, the “Agencies”). Developers, owners, marketing agents, and sponsors of Projects (“Developer(s)”) must follow these guidelines in preparing marketing plans for their Projects and comply with its specific requirements.

The Developer should consult the monitoring agency in the event any questions or concerns arise with respect to the procedures set forth in these guidelines, as well as the occupancy requirements.

The primary objective of the marketing effort for the Project is to select diverse tenants, including those with mobility, visual, or hearing impairments that require an adaptable/accessible apartment. Outreach efforts utilized by the Developer are a critical tool in the development of a diverse applicant pool and tenancy.

The Developer must also comply with all applicable fair housing and equal housing opportunity requirements and the requirements of any other governmental agencies.

MARKETING GUIDELINES – INTRODUCTION

WHAT THIS MANUAL *IS NOT*

The Marketing Guidelines are not a comprehensive compliance manual. The Developer must ensure that its employees and agents are fully trained in all facets of the program and all requirements of the specific occupancy requirements of each Project. Maintaining compliance is the Developer's responsibility.

This manual also does not contain specific occupancy requirements for Projects. Developers must refer to their Project's Regulatory Agreement for income, rent, and other occupancy restrictions.

BASIC SEQUENCE OF ACTIVITIES



MARKETING GUIDELINES – BASIC SEQUENCE OF ACTIVITIES

BASIC SEQUENCE OF ACTIVITIES

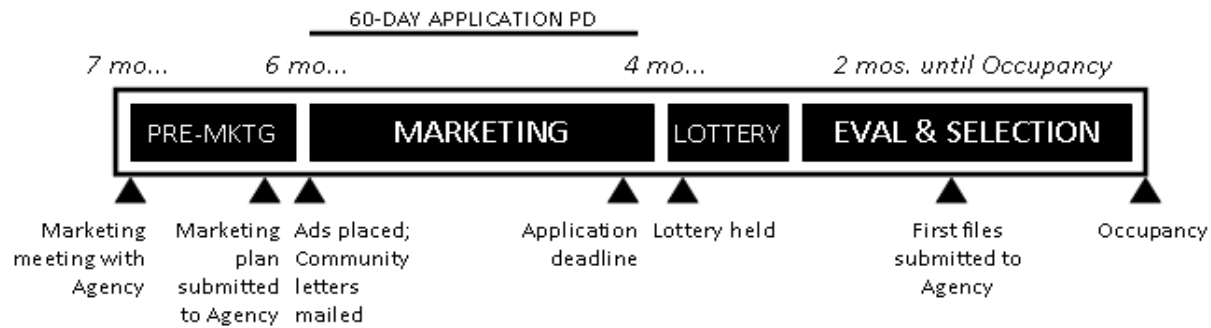


Figure 1: Major milestones in marketing process

ACTIVITY	TIMELINE
1. Project site sign erected and information posted on website and hotline	At the start of construction
2. Inquiry list maintained	On an ongoing basis
3. Marketing meeting held with Agency	Seven (7) months prior to anticipated occupancy
4. Marketing Plan submitted to Agency at Marketing meeting	At least six (6) months prior to anticipated occupancy
5. Community contact letters mailed and advertisements placed	Represents commencement of marketing period, at least sixty (60) days prior to application deadline date.
6. Marketing sign erected with information on how to obtain applications	At commencement of the marketing period
7. Lock box/P.O. Box established for receipt of applications	At commencement of the marketing period
8. Applications mailed to inquiry list; requests for applications processed as received	When first advertisement is published
9. Application postmark deadline	Represents completion of sixty (60) day marketing period
10. Compliance Meeting held with Agency	Two weeks before the Lottery
11. Lockbox/P.O. Box is opened; Hold	Seven (7) to ten (10) days after application

MARKETING GUIDELINES – BASIC SEQUENCE OF ACTIVITIES

lottery	deadline
12. Log applicants; review applications	Approximately 2-3 months before occupancy.
13. Submit files to monitoring agency	
14. After approval from agency, occupancy begins	Occupancy begins.

MARKETING PLAN CHECKLIST



Prior to implementing the Developer's marketing plan for the Project ("Marketing Plan"), the Developer must submit the Marketing Plan for Agency review and approval. Below is a Marketing Plan Checklist.

- ✓ CONSTRUCTION SITE SIGNAGE ERECTED
- ✓ INQUIRY LIST MAINTAINED
- ✓ FILE NOTICE OF INTENT WITH AGENCY
- ✓ MARKETING MEETING WITH AGENCY
- ✓ FILE MARKETING PLAN WITH AGENCY
- ✓ SUBMIT DRAFT OF ADVERTISEMENT TO AGENCY FOR APPROVAL
- ✓ SUBMIT MARKETING AGENT AND/OR MANAGING AGENT AGREEMENT TO AGENCY
- ✓ AGENCY ESTABLISHES CALLER SERVICE BOX
- ✓ REMIT PAYMENT TO AGENCY FOR CALLER SERVICE BOX
- ✓ DRAFT AND MAIL COMMUNITY CONTACT LETTERS
- ✓ AGENCY MAILES ELECTED OFFICIAL LETTERS
- ✓ MARKETING SIGN ERECTED WITH INFORMATION ON HOW TO OBTAIN APPLICATIONS
- ✓ PLACE ADVERTISEMENTS IN NEWSPAPERS
- ✓ PROVIDE AGENCY WITH ALL COPIES OF ACTUAL ADVERTISEMENTS
- ✓ MAIL APPLICATIONS TO INTERESTED APPLICANTS ON INQUIRY LIST; REQUESTS FOR APPLICATIONS PROCESSED AS RECEIVED
- ✓ HOLD INFORMATIONAL SEMINARS AT LOCAL FACILITIES, SUCH AS COMMUNITY BOARD(S) AND/OR LOCAL ORGANIZATIONS
- ✓ SCHEDULE LOTTERY WITH AGENCY
- ✓ HIRE STAFF FOR SCHEDULE LOTTERY DATE(S)
- ✓ HOLD LOTTERY
- ✓ ATTEND COMPLIANCE MEETING WITH AGENCY
- ✓ SUBMIT ELECTRONIC LOG TO AGENCY FOR REVIEW
- ✓ PROCESS LOTTERY LOG
- ✓ SUBMIT FILES TO AGENCY FOR REVIEW AND APPROVAL
- ✓ SUBMIT INTERMITTENT LOG UPDATES WITH DISPOSITION COMMENTS AND STATS REPORT
- ✓ REQUEST WAIVER(S), IF NEEDED
AGENCY APPROVAL DATE _____
- ✓ REQUEST OPEN MARKET, IF NEEDED
AGENCY APPROVAL DATE _____
- ✓ SUBMIT INITIAL MOVE-IN CERTIFICATION TO AGENCY
- ✓ SUBMIT FINAL LOG WITH DISPOSITION COMMENTS AND STATS REPORT

OUTLINE OF PROCEDURES

- I. PRE-MARKETING
- II. MARKETING
- III. LOTTERY
- IV. APPLICANT EVALUATION & RESIDENT SELECTION



MARKETING GUIDELINES - OUTLINE OF PROCEDURES

I. PRE-MARKETING

A. PROJECT SITE SIGN AND MARKETING SIGN

The Developer must display a project site sign, provided by the Agency, on site in public view, beginning at the start of construction. The project sign is to remain erected on the site until construction is substantially complete. See *Site Sign Request Form, Attachment A-1*.

- ✓ **The Marketing Plan should state the date that the project site sign was erected.**

The Developer must also design and display on site and in public view a legible marketing sign with information on how to obtain an application for a unit. The marketing sign should be displayed upon commencement of the marketing period and remain until the conclusion of the marketing effort.

- ✓ **The Marketing Plan should include a sample marketing sign and should state the approximate date on which the sign will be erected.**

B. INQUIRY LIST

At the start of construction, an inquiry list should be maintained by the Developer's office. Inquiries must be accepted up to the deadline date for requests for applications. The inquiry list should include the following information:

- Name and contact information of those interested in renting/purchasing a unit;
- How the inquiry was received, e.g. via telephone, email, walk-in, or mail. (The Developer may select the procedure for accepting inquiries.)
- ✓ **The Marketing Plan should outline these inquiry list procedures.**

C. AGENCY WEB SITE AND HOTLINE POSTING

The Developer must make the following information available to the Agency for posting on the Web site and Affordable Housing Hotline (*See Web Site Posting Form, Attachment A-2*):

- Information related to the development (e.g. number of units; initial rents/sale prices);
- Developer or marketing agent contact info, if applicable;
- Expected construction completion date;
- Method for interested parties to be placed on an inquiry list.
- ✓ **The Marketing Plan should also include this basic project information.**

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

D. PRE-MARKETING MEETING

At least seven (7) months prior to anticipated occupancy, the Developer must contact the Agency to schedule a marketing meeting. At that time, Developer and Agency will meet to review the procedures for marketing, applicant evaluation and resident selection, occupancy, and management, as well as any related documents and reports. The Developer shall submit to the Agency a "Notice of Intent" form to initiate the marketing process.

- ✓ **The Marketing Plan should include a dated copy of the Notice of Intent.** See *Sample Notice of Intent to Market, Attachment C.*

E. MARKETING PLAN

Following the pre-marketing meeting, the Developer must submit to the Agency for review and comment a proposed Marketing Plan which will outline procedures to be followed in the Pre-marketing, Marketing, and Applicant Evaluation and Resident Selection phases. See *Marketing Plan Summary Sheet, Attachment B* and See *Marketing Plan Checklist, p. 10.*

- ✓ **The Marketing Plan should include the approximate date at which each of these items will be implemented/completed.**

II. MARKETING

The formal marketing process should begin at least six (6) months prior to the anticipated occupancy of the first unit. The placement of advertisements and other outreach efforts commences the official 60-day marketing period.

The Developer must ensure that the Project is always in compliance with the provisions of the Project's Regulatory Agreement. The Developer should be aware of its obligation to obtain, verify and provide the Agency, on an ongoing basis, with all required information. The Developer should fully familiarize themselves with the provisions of the Regulatory Agreement.

A. OUTREACH

Marketing aims to achieve the broadest practical citywide representation in its outreach efforts. The Developer's outreach effort is an essential element in the development of a diverse applicant pool and tenancy. The Agency expects the Developer's Marketing Plan to be designed to achieve this objective.

The Agency requires the use of community and citywide civic organizations as part of the marketing effort.

Elected Official and Community Board Letters

At the commencement of marketing, the Agency submits letters to the Community Board and elected officials affiliated with the district in which the development is located.

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

Community Outreach Letters

The Developer must provide additional methods of community contact and describe these methods in the Marketing Plan. It should be stressed that targeted outreach is extremely important to the marketing process in order to adequately fill the preference categories. Community outreach letters should be mailed by the Developer at least sixty (60) days prior to the deadline date for receipt of applications. See *Outline of Contents for Community Contact Letter(s), Attachment D*.

At a minimum, the Developer should initiate contact with the local Community Board to discuss the project and possible outreach options. Some other examples of outreach methods include:

- Attending a monthly Community Board meeting to discuss the project;
 - Meeting with other local community groups, e.g. religious congregations;
 - Discussing project outreach with private and not-for-profit community organizations; and
 - Posting flyers in local unions or governmental agencies.
- ✓ **The Marketing Plan must describe all methods of community contact, including, but not limited to:**
- Any marketing consultants the Developer intends to retain, providing the Agency with a statement summarizing their relevant experience and expertise. All marketing consultants must be approved by the Agency;
 - Any management companies the Developer intends to retain, providing the Agency with a statement summarizing their relevant experience and expertise and include a brief management plan See *Outline of Management Plan, Attachment E*;
 - The intended outreach time schedules and types of materials to be distributed;
 - Specific organizations and institutions (e.g., Community Board, private and not-for-profit organizations, local newspapers, senior centers, labor unions, government agencies), and their respective roles in the marketing process.

B. ADVERTISEMENTS

- Advertisements should appear at least sixty (60) days prior to the deadline date for receipt of applications. See *Sample Advertisement with Logos, Attachments F-1 and F-2*.
- ✓ **The Marketing Plan must list advertisement publication dates and indicate the name(s) of the publications and the proposed dates of the advertisements to be utilized.**

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

- The Developer shall begin marketing by placing an advertisement for applicants in accordance with the following:
 - a. The Agency will provide the Developer with the final advertisement format. No changes to the format will be permitted without the prior written approval of the Agency.
 - b. Copies of the advertisements must be submitted to the Agency for approval prior to publication. Advertisement draft approvals are required from multiple parties, in addition to the Agency, depending on the number of vested parties involved in the project. The Developer should ensure to allow enough time to receive each of these approvals. *See Sample Routing Slip, Attachment F-3.*
 - c. After obtaining Agency approval, the Developer is responsible for placing the ad. The ad must be advertised in at least three (3) newspapers, including:
 - ❖ One (1) citywide daily newspaper with a circulation of at least 200,000;
 - ❖ One (1) ethnic-based newspaper with a circulation of at least 10,000;
In order to insure that your marketing meets the Affirmative Fair Housing Requirements, in addition to choosing a citywide publication that is generally read by all ethnic groups, the ethnic publication chosen should be one that serves the minority group(s) least likely to apply for this housing. *For further guidance, see Attachment F-4 and F-5.*
 - ❖ One (1) local newspaper.
 - d. The ad is to run at least three (3) days with at least one (1) day falling on a weekend. The first day an Ad appears must be at least sixty (60) days prior to the application deadline. The Developer must run the additional two ads no later than 10 days after the first ad runs. Any delays must be reported to the Agency.
 - e. The Developer must provide the Agency with a copy of the tear sheet immediately after the advertisement runs.

C. APPLICATIONS

- ✓ **The Marketing Plan must include a sample of the proposed application and cover letter to prospective applicants and samples of the response letters to applicants.**

The Marketing Plan is to include a statement that family members and employees of the Developers and its principals are ineligible to apply for or receive an apartment. The cover letter should reiterate program guidelines and highlight the post office box to which applications may be returned. The format will be provided by the Agency. Any changes to the letter must receive prior approval from the Agency. *See Sample Cover Letter and Application, Attachments G1-3. See also Sample Letters, Attachments H-1 through H-6.*

Additionally, the following subjects should be outlined in order that the Agency may be afforded an opportunity to comment:

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

- Number and type of units (if this description does not match the original underwriting and unit distribution described in the Regulatory Agreement, then the Developer must bring the discrepancy to the Agency's attention in writing);
- Initial rents or selling price to be charged;
- Minimum and maximum income range for each type of unit;
**Note: Please contact the Agency if you are unclear about the program's income and rent limits.*
- Listing of proposed fees
 - Applicants shall not be required to pay an application fee, but may be charged a non-refundable credit check fee:
 - For Units with Income Limits set at or below 60% of New York City's Area Median Income (AMI) Limit: The fee is not to exceed **\$25** per application (for households consisting of 1 or 2 adult members), or **\$50** (for households with 3 or more adult household members).
 - For Units with Income Limits set above 60% of New York City's Area Median Income (AMI) Limit: the fee is not to exceed **\$50** per application (for households with 1 or 2 adult members) or **\$75** per application (for households with 3 or more adult members).
 - ***Credit fees should only be collected when (a) an applicant appears to be otherwise eligible and (b) it is clear that a unit will be available if the applicant is approved.**
- The Developer's system and procedures for receipt and logging or numbering applications. *See Sample Log Sheet for Rental Units, Attachment J-1 and See Sample Log for Home Units – Attachment J-2. For more information about the logging and receipt of applications, please see the following "Lottery" section.*

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

III. LOTTERY

- The Agency requires a Compliance Meeting to be held approximately two weeks before the lottery date.
- The lottery will be held on a date or dates mutually agreed by the Developer and Agency, generally seven (7) to ten (10) business days following the close of the application period, if not sooner.
- **An Agency representative must be present at the time of the lock box/post office box opening and at the time applications are opened and logged.**
- Based on anticipated response volume, the Agency will recommend a minimum number of staff or volunteers to be provided by the Developer for the full day of the lottery. The Agency recommends that there be 20-25 staff members per day during a lottery, which may be adjusted by the Agency based on lottery response. Developer staff should be made familiar with the application log process, and freed from any other duties or distractions on the day of the lottery. Additional people made available will maximize the number of applications opened and logged. Agency monitors will be present strictly to observe the opening of applications and completion of the log sheets; they will be unable to assist in the actual opening and logging as not to divert their attention from their oversight responsibilities.
- If more than one day is required for the lottery, remaining applications must be secured in a locker or footlocker (to be provided by the Developer), which can accommodate a standard combination lock. The Agency will provide the lock with a combination known only to Agency staff. This locker or footlocker will be stored by the Developer in a location approved by the Agency monitor and subsequent days of opening and logging must also occur under Agency supervision. At the completion of rent-up/sales, after enough applications have been opened to achieve occupancy and establish a waiting list equal to at least the number of units in the building, any surplus applications will be shredded by the Developer.

A. APPLICATION COLLECTION AND PICK-UP

- The post office box used will be one governed by the United States Postal Service (i.e. not a privately owned business such as “Mailboxes Etcetera,” etc.) and must be located within New York City limits (i.e. New York, Bronx, Kings, Queens or Richmond Counties). The P.O. Box location must be pre-approved by the Agency, as certain branches with a history of problems may be excluded. Protocol for the opening of the P.O. Box varies by agency:
 - HDC will purchase and reserve the P.O. Box, with all charges and fees to be reimbursed by the Developer.
 - HPD will accompany the Developer to the designated post office on the day of the opening to purchase and open the P.O. Box.

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

- **Applications will be picked up from the P.O. Box on the day of the lottery, generally seven (7) to ten (10) business days following the close of the application period. The applications must be picked up by the Developer in the presence of Agency staff.**
- If the post office requires that letters be picked up on a regular basis due to large volume of mail, the USPS will notify the Agency prior to picking up the mail and the Agency and Developer will place all letters, unopened, in a secure locker or footlocker. The Developer will then return to the post office on the day of the scheduled lottery to pick up, in the presence of Agency staff, any remaining mail.
- On the day of the lottery, Agency staff will meet the Developer at the applicable post office for the opening of the P.O. Box and the gathering of applications. Applications will be transported in the presence of at least one Agency monitor (such transportation to be provided by the Developer) to the identified location provided by the Developer for the opening of the applications.
- Any applications postmarked after the application deadline (“late applications”) will be set aside for possible consideration pursuant to this Outline of Procedures, and only after all applications postmarked by the deadline have been processed.
- Any applications received by means other than regular mail (e.g. overnight, certified or registered mail) will be set aside for possible future consideration.

B. LOG GENERATION

- On the initial lottery days scheduled, all applications, or a minimum number of applications equal to **at least fifty (50) times the number of affordable units that are being marketed**, will be opened and entered in a log in the order in which they were randomly opened. All names will then be selected in number order from this log. All subsequent loggings from this applicant pool, unless waived by the Agency, must take place in the presence of Agency staff. **No preferences will be waived unless all applications received on time have been opened.** *For more information on preferences, see Section IV-B “Order of Processing” or Section IV-H-1 “Preferences.”*
- The log sheets have been revised in a new format and will be provided by the Agency. Rather than merely logging in the head of household, the names of all household members identified on an application must now be recorded in the log sheets. *See Sample Log Sheet for Rental Units, Attachment J-1 and See Sample Log for Home Units – Attachment J-2.*
- A delineated line must be drawn at the end of the last log page containing all applications received up to the deadline date. Applications received after the deadline date or by other methods, such as overnight, certified or registered mail, are to be logged after the delineated line. *For information on maintaining a*

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waiting list, see Section IV-F “Waiting List” or Attachment H-6 for a Sample Waiting List Letter.

- Developer must provide an electronic copy of the log to the Agency immediately after the lottery is completed.
- If the lottery takes more than one (1) day, the Developer must provide a copy of the updated log after each day’s logging is completed. In this case, remaining applications must be secured in a locker or footlocker (to be provided by Developer), which can accommodate a standard combination lock. The Agency will provide the lock with a combination known only to the Agency. This locker or footlocker will be stored by the Developer in a location approved by Agency monitors and subsequent days of opening and logging must also occur under Agency supervision. At the completion of rent-up/sales, after enough applications have been opened to achieve occupancy and establish a waiting list equal to at least the number of units in the building, the Developer must shred any surplus applications.
- Developer or representative must also provide copies of the log to the Agency for review indicating each applicant’s selection status. **Copies of the log must be provided prior to offering units to eligible applicants.** *For more information about Agency approvals required prior to signing leases and/or contracts, see Section IV-G “Agency Approval.”*
- Developer must offer units only to applicants who meet eligibility requirements in numbered order from this log, as long as units of appropriate size are available. An applicant to whom a unit has been offered must be given a reasonable specific amount of time to respond to the offer, and **not less than 5 business days** for a lease signing, before a Developer can proceed to offer a unit to the next eligible applicant on the log.
- If units of appropriate size are unavailable to eligible applicants from the log as they are being reviewed, the applicant’s name will remain on the log until an appropriate unit becomes available or until the log expires.
- Developer must retain the applicant log and all associated applications as a record for no less than three (3) years.

Depending on the level of response generated by the lotteries, particularly for low-income developments, it may not be practical to open and process all received applications. However, the Developer must initially open and log a number of applications that is at least fifty (50) times the number of available units. **This must be explained in the cover letter that accompanies the application.** If this pool is sufficient to fulfill all preferences, achieve rent-up/sales, and establish an adequate waiting list, the Agency may not require that additional applications be opened at that time. If preferences cannot be met, additional applications will need to be opened. The Agency will not waive any mandatory preferences unless all received applications have been

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processed. Agency staff must be present to supervise the opening and numbering of all applications involved in the initial lottery of a project.

IV. APPLICANT EVALUATION AND RESIDENT SELECTION

The Developer will have primary responsibility for applicant evaluation and resident selection. Developer must select all prospective residents from the log sheet in the order logged in, with exceptions for permitted preferences only. Residents of the City of New York are to be given preference in the selection process over non-residents. Other statutory preferences are outlined below. *See Section IV-H-1 "Preferences."*

- ✓ **The Marketing Plan must specify criteria to be used for resident selection and rejection, along with procedures for handling rejected applications.**

An applicant cannot be rejected for any reason other than a reason that is consistent with the rejection criteria stated in the Marketing Plan. The Agency will approve the selection and rejection criteria outlined in the Marketing Plan prior to the start of marketing. The rejection criteria must be applied fairly and equitably to all applicants.

A. DISQUALIFICATION POLICIES

- No application will be disqualified prior to entering the lottery. Every opened application received will be assigned a unique log number. Disqualification letters, for reasons outlined below, will be processed and sent in order of log number.
- After the lottery, applicants may be disqualified, regardless of other eligibility factors, for one of several reasons:
 - Developer must disqualify those applicants for whom multiple copies of an application are received.
 - A "multiple" or "duplicate" application is defined as the appearance of any single applicant across two or more applications for any given project, whether or not the same household members are present.
 - **Developer, employees, agents, employees of agents, and family members of Developer, are prohibited from seeking a unit through the Developer's lotteries or Open Market, and are further prohibited from being considered through any other means for any unit being marketed by this Developer pursuant to this Outline of Procedures, regardless of their position with the firm.**
 - Employees of the Housing Development Corporation (HDC) are prohibited from seeking a unit in any project in which HDC is involved that is being marketed by the agent. *Note: HPD employees who apply for HPD involved projects should receive a Conflict of Interest waiver from HPD.
 - Applicant is not a resident of New York City.

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- Applicants may **not** be disqualified on rental projects solely on the basis that the applicant receives Section 8 assistance.
- **Note on Missing Information:**
Applications with missing required information, such as income or household size, would be processed as such. For instance, applicants without a stated income would be calculated as \$0 income, and likewise, unlisted household members would not be calculated. Unless qualified as an “extenuating circumstance,” changes to blank income and/or household size would result in an applicant being placed at the bottom of the log for consideration only after all other applications are exhausted.

Extenuating circumstances include:

- Death of a member of the household;
- Birth in the household;
- Divorce or other spousal situation;
- Court order of custody.

Developer must require the applicant to provide evidence of the extenuating circumstance.

B. ORDER OF PROCESSING

- The first applications processed and submitted to the agencies from the log must be those that meet one of the approved housing preferences. The order of preference category must maximize the number of applicants filling the preference categories. Experience suggests that this order, depending on lottery results and other factors, may help boost the filling of preference categories if generally followed:
 - (1) Disability
 - (2) Community Board
 - (3) Municipal Employee

For more information on processing of preferences, see “Preferences” Section IV-H-1.

- If preferences are not met and there are still unopened applications remaining, another day of opening applications to identify additional preference applicants must be scheduled with the Agency. No preferences will be waived unless all received applications have been opened.
- Only after all preferences have been achieved (or waived by the Agency following the exhaustion of the lottery) may non-preference applications be submitted to the Agency for approval. This is to prevent non-preference applicants from being processed for units that are intended for preference-eligible applicants. The screening of non-preference applicants may begin prior to achieving all preferences with Agency approval.

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- If units are still available after the Developer has exhausted all remaining applications, Developer must notify the Agency and randomly open and log a number of “late” applications set aside with the Developer sufficient to tenant the remaining vacancies. The Developer, or a representative, will then follow all procedures as outlined in this Section.
- Applications should be processed for submission to the Agency in groups of fifty (50) to prevent getting too far ahead in the lottery and potentially bypassing eligible applicants who are placed earlier on the log and appeal successfully within the two (2) week appeal timeframe. Even within those groups of fifty (50), attention must be given to remaining available units based on bedroom sizes and (for mixed-income buildings) income levels to allow for such appeals.
- At a minimum, a status report must periodically be issued by the Developer to the Agency to ensure that applicants are being processed in proper order. The report must outline the status of applicants on the log (i.e. if they were rejected the reason must be provided) and must be submitted electronically in an Excel format. Developer therefore must not submit a “Read Only” version. This is to ensure that applicants are being processed in proper order. Such status reports should be issued: (a) upon completion of the preferences before processing the general lottery pool and (b) upon the completion of each group of fifty (50) general lottery applicants thereafter. If a file is submitted for an applicant but there are applicants with lower log numbers whose status have not been confirmed, the agencies will withhold further approvals until the information has been satisfactorily documented. The status report, which must include all status comments, must also be accompanied by a letter reporting on the statistics, such as, but not limited to:
 - Number of logged applicants;
 - Number of units for each preference;
 - Status of each preference;
 - Number rejected for being over income;
 - Number rejected for being under income;
 - Number of applicants that fell within the income ranges; if applicable;
 - Number rejected for credit reasons;
 - Number rejected for criminal history;
 - Number rejected for housing court activity as further described in *Section IV-H-5*;
 - Number rejected for household composition;
 - Number of no-shows (include the no-show dates);
 - # terminated as per applicant’s request (applicant withdrew/cancelled application)
 - # rejected for failure to submit requested additional documentation;
 - # rejected for submitting duplicate applications ;
 - # rejected because household is comprised of full-time student(s) and does not meet any of the exceptions (in applicable programs);
 - # rejected because of household size;
 - # placed on low priority list and specify the reasons, e.g. living out of city;
 - any other rejection criteria used by the agent; and Number rejected for

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

submission of fraudulent information, etc.

- Stats Report Requirement is mandatory so that the Agencies may monitor the process of the lottery log. Further, such stat report information may be used to report on the statistics of the individual project and analysis of its lease-up.
- Developer must notify all applicants processed of their selection status by regular mail as soon as a determination has been made. A copy of the letter must be attached to the application and kept on file.

C. APPEALS

Ineligibility and Rejection Letters to Applicants must provide a specific reason why an applicant cannot be approved. Responses to appeals must be even more specific and detailed. For example, stating, “You are rejected because you are over-income” is not sufficient. The letter would need to state more specifically, as an example, “You have been deemed ineligible for this housing program because you do not meet the maximum income required for your family and unit size. The maximum income is \$35,000 and your household’s annual income has been determined to be \$36,000”.

- Developer will provide the Agency with a copy of the completed Log, indicating the final selection status of each applicant and reason for rejection. This includes, but is not limited to:
 - Income ineligibility;
 - Applicant is an employee or family member of Developer;
 - Applicant is not a resident of New York City;
 - Lack of adequate income to support mortgage payments;
 - Ineligible household size;
 - Poor payment or credit history;
 - Receipt of more than one application per household;
 - Falsification of information, etc.

D. INTERVIEWS

- All applicant/prospective tenant interviews, as well as lease signings, must be conducted within New York City limits (i.e. New York, Bronx, Kings, Queens, or Richmond Counties).
- Developer will notify each applicant to be interviewed by regular mail. Format for letter will be provided by the Agency. Letter will indicate:
 - Date, time, location of interview and phone number should applicant be unable to appear;
 - Required minimum amount of time, and **not less than ten (10) business days**, between letter postmark and interview date;

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- List of required documents to be brought to interview by applicant;
 - That Developer may make home visits or other appropriate inquiries to assist in qualifying;
 - That no broker or application fees will be charged to the applicant, except in New HOP programs;
 - If credit checks will be conducted by Developer, then that fee must be approved by the Agency.
 - For Units with Income Limits set at or below 60% of New York City's Area Median Income (AMI) Limit: Credit check fees are not to exceed \$25 for households with 1 or 2 adult members; \$50 for households with 3 or more adult members.
 - For Units with Income Limits set above 60% of New York City's Area Median Income (AMI) Limit: Credit check fees are not to exceed \$50 for households with 1 or 2 adult members; \$75 for households with 3 or more adult members.
 - No credit check fees may be charged to homeless applicants in designated special needs programs referred by the city.
 - A credit check fee can only be charged after an interview has been conducted and all other threshold selection criteria have been met.
- In cases where an applicant fails to appear for an interview, Developer must send a second letter by regular mail to schedule another interview. The applicant will be given a reasonable specific amount of time, but **not less than five (5) business days** from the postmarked date of the second letter in which to respond.
 - *Note: If the Developer elects in the Marketing Plan to perform home visits, such home visits **MUST** occur before submitting files for approval but after the interview. Further, if an applicant is rejected for a home visit, then the rejection letter must state the reason of the home visit rejection. The letter cannot simply state that the applicant failed the home visit.

E. OPEN MARKETING

If all applications have been processed and the entire applicant log has been reviewed for eligibility and there are still units available, **the Developer must contact the Agency for written approval to commence open marketing.** The Developer is required to complete a **Notice of Remarketing document** See *Notice of Remarketing, Attachment K*. Upon receipt of these forms, the Agency will create an advertisement for its website. Under open marketing, the Developer may utilize other methods to identify applicants beyond the scope of the lottery. Such methods may include additional advertising, signage on the building to attract walk-ins, or the use of brokers.

If using a broker, the Developer must fully absorb any related broker fees. No such fees may be passed on to applicants/residents of units. The exception to this, unless otherwise noted, is with HDC's New HOP programs. In the case of New HOP, a fee equal to half (1/2) of one month's rent is the maximum amount that may be charged to the residents as a broker fee. Any fee above that amount must be absorbed by the Developer.

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F. WAITING LIST

After the Project is initially occupied, the Developer must maintain a waiting list indicating persons interested in residing in the development and must fill vacancies from the waiting list. Whenever possible, the Developer must fill vacancies in units that have been adapted for households with disability preferences to a household that fulfills such preference. The Developer is to inform wait-listed applicants that it is the applicant's responsibility to notify the owner/manager every six (6) months that they wish to remain on the waiting list.

Upon conclusion of the rent-up, the Developer must document to the Agency how it plans to manage its waiting list going forward.

When the Developer needs to replenish a Project's waiting list, the Developer may request Agency approval to commence remarketing activity. The Agency does not supervise this process as closely as the initial marketing. However, the attached form must be completed and receive Agency approval before remarketing. See *Notice of Remarketing Attachment K*.

G. AGENCY APPROVAL

No residents may be moved into the building, and no leases or contracts signed, until Agency has approved the applicant in writing. This is true both during initial rent-up or sales and thereafter. Concurrent approvals by other involved agencies may also be required.

Developer may also not collect funds from prospective residents (i.e. security deposits, rents, etc.) until written Agency approval is received.

If files are complete in accordance with the revised procedures which follow, and no additional issues are raised with any of the information contained therein, Agency approval timetable is three (3) to five (5) business days from receipt of a file. However, if files are incomplete or if issues are raised that require further review either internally or with the NYC Department of Investigation (DOI), the process will take as long as necessary to (a) acquire the missing or additional paperwork from the Developer's management staff or (b) to complete an additional review with DOI. On a case-by-case basis, if such processes extend past ten (10) business days without a resolution, the agencies may grant permission to place such questionable applicants on hold and proceed with other applications while such special reviews are being completed. Although an added step, these procedures will both ensure the integrity of the Agency's programs and protect the Developer from the potential regulatory defaults for non-compliance, which can result from admitting applicants who are not truly eligible.

- ✓ **The Marketing Plan must also include procedures for determining applicant eligibility and verifying income and family size.**

HPD and HDC perform independent review of applicant income eligibility as an

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

additional means of ensuring compliance with the Regulatory Agreement. The approvals are based on information in the files submitted to us by the Developer. HPD will review a percentage of applicants, while HDC will review all applicants. *Refer to Checklist for Tenant Income Certification, Attachment L-1.*

Applicant approval letters are not given under our role as low-income housing tax credit monitoring agencies and so these letters alone are not verification of tax credit compliance. Upon the Developer's annual tax credit certification review (as required by IRS monitoring rules), the Compliance Unit in the respective agencies will review files in their entirety to monitor compliance.

Developer must submit Tenant Income Certification (TIC) and verifications to the Agency along with the Applicant Information Form (AIF) to enable a review of the Developer's computation of eligibility. Developer must inform applicants that they will not be allowed to occupy a unit until the Agency has reviewed and approved their Tenant Income Certification. All such Approvals are given to the Developer in writing. See *Tenant Income Certification Cover Letter, Attachment L-2, See Tenant Income Certification form, Attachment for Low Income Attachment L-3 or Tenant Income Verification for Middle Income Attachment L-4. See also AIF, Attachment M.*

Tenant Lease and Related Documents

- Immediately prior to signing the lease, the statement in Pre-lease Acknowledgement and Certification must be reviewed with, and signed by, all adult household members. *See Pre-Lease Acknowledgement and Certification, Attachment N.* This statement warns against violating the primary residence rule, as well as provides a final confirmation as to the honesty of all information the applicants submitted throughout the process.
- Owners must use a lease that complies with the Rent Stabilization Law and regulations.
- **The Marketing Plan must include a copy of the lease for review.**
- For Projects financed by HDC, owners must execute an HDC lease rider which outlines the unique aspects of the program and how it differs from standard rent stabilization (such as the prohibition on sublets). *See Rider to Standard Rent Stabilization Lease for Low Income, Attachment O or See Rider to Standard Rent Stabilization for Middle Income, Attachment P.*
- If Developer finds an applicant eligible for a unit designated at 60% of AMI or below, then at the time of lease signing, the tenant must complete an Affirmation of Income. *See Affirmation of Income, Attachment Q.*
- If Developer finds an applicant to be eligible for a unit, then at the time of lease signing or sale closing, Developer must require that all adult household members execute three new IRS Form 4506-T, one listing the Developer, one listing the

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Agency and the other listing the NYC DOI in Line 5 of the form. See *IRS and State Forms, Attachments R-1 through R-5*.

H. **DETAILED SELECTION POLICIES**

Additional guidance on evaluation criteria and selection factors is provided on the following pages as follows:

- 1) Preferences
- 2) Household Composition Changes to an Application
- 3) Qualification As A Household
- 4) Income Eligibility
- 5) Background Checks And Other Factors
- 6) Occupancy Standards And Unit Distribution
- 7) Rent Levels and Income Standards
- 8) Other

1) **PREFERENCES**

a. **OVERALL RESIDENCY PREFERENCE FOR NEW YORK CITY RESIDENTS**

Non-residents of New York City can only be considered after all eligible, current New York City residents have been processed.

b. **MANDATORY PREFERENCES**

The following must also be considered and detailed in the plan:

- Community Preference

The Developer must, during initial rent-up, give an occupancy preference for fifty percent (50%) of the units to applicants who, at the time of application, are residents of the Community District in which the building is located. Applicants with community resident status must meet all other programmatic requirements of the Agency and the Developer (e.g., income qualification, credit worthiness).

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If after all applications have been opened and processed the community preference cannot be filled from applicants in the logbook, the Developer must provide a letter to the Agency stating how much of the preference has been achieved. The letter must include, but is not limited to the following information:

- Number of logged applicants;
- Number of units available for each preference;
- Number of applications approved for each preference;
- Number rejected for being over income;
- Number rejected for being under income;
- Number of applicants that fell within the income gap, if applicable;
- Number rejected for credit reasons;
- Number rejected for criminal history;
- Number rejected for housing court activity as further described in *Section IV-H-5*;
- Number rejected for household composition;
- Number of no-shows (include the no-show dates);
- # terminated as per applicant's request (applicant withdrew/cancelled application);
- # rejected for failure to submit requested additional documentation;
- # rejected for submitting duplicate applications;
- # rejected because household is comprised of full-time student(s) and does not meet any of the exceptions (in applicable programs);
- # rejected because of household size;
- # placed on low priority list and specify the reasons, e.g. living out of city;
- any other rejection criteria used by the agent;
- If any of the above rejection criteria does not apply or no applicant had been rejected for that criteria, please indicate "N/A" or "0 applicants", respectively; and
- Number rejected for submission of fraudulent information, etc.

See Stats Report Requirements p. 22-23

After review, the Agency may waive the remainder of this preference and authorize the Developer to proceed with the remainder of the log sequentially. If the community preference is fully achieved, any remaining community applicants will be processed from the log in the same order as other applicants.

○ Disability Preferences

The Developer must also give an occupancy preference to applicants for certain units who have at least one household member with a mobility,

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

visual and/or hearing impairment and, as a result, require an accessible/adaptable unit. These preferences are as follows:

- Five percent (5%) of the units in the project (or one unit, whichever is greater) will have a preference for and are to be made adaptable/accessible for disabled persons with mobility impairments.
- Two percent (2%) of the units (or one unit, whichever is greater) will have a preference for and are to be made adaptable/accessible for disabled persons with visual and/or hearing impairments.

The Developer must write to The Mayor's Office for People with Disabilities to request potential referrals (with a copy to the Agency) at the time community letters are mailed out:

Mayor's Office for People with Disabilities
100 Gold Street, 2nd Floor
New York, NY 10038
Tel (212) 788-2830
Fax (212) 341-9843
TTY (212) 788-2838

If the disability preference is not fulfilled, applicants shall be processed from the logbook in the same order as other applicants.

- o Municipal Employee Preference:

The Developer must give an occupancy preference for five percent (5%) of the units (or one unit, whichever is greater) to municipal employees of the City of New York. *See Attachment S for a list of agencies whose employees are eligible for the preferences.* (*Note: HDC employees are not eligible for this preference. Employees of certain other agencies, such as HPD, are only eligible if they can provide a statement of no-conflict from their agency's ethics officer).

c. ADDITIONAL PREFERENCES AND SET-ASIDES:

There may be additional mandatory preferences tied to certain government programs or funding sources. These mandatory set asides are not to be marketed to the general public; however, they are subject to the same selection criteria and application process and must be approved by the Agency.

- ✓ **The Marketing Plan must reflect such preferences.**

- o Referrals:

The Agency may refer to the Developer potential residents who are

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being relocated or displaced due to a governmental action. Developer, if directed by the Agency, must first offer units to these referrals, and their applications must be processed according to program selection criteria for eligibility and must be approved by the Agency. Referrals must be entered into a separate log by the Developer or a representative. Developer must indicate the source of the referral on the log.

No additional, optional preferences may be implemented without the prior written approval of the Agency.

2) HOUSEHOLD COMPOSITION CHANGES TO AN APPLICATION

Changes to household composition in the application after it has been received will not be recognized, unless such change is an extenuating circumstance. Extenuating circumstances may include:

- Death of a member of the household;
- Birth in the household;
- Divorce or other spousal situation;
- Court order of custody.

The Developer must obtain from the applicant legitimate evidence of the extenuation circumstance, such as birth certificates.

3) QUALIFICATION AS A HOUSEHOLD

For the purposes of applying to HPD/HDC-financed affordable housing, the following terms shall have the meanings set forth below:

1. "Minor" shall mean a person under the age of 18 years.
2. "Adult" shall mean a person at or above the age of 18 years.
3. "Dependent" shall mean a Minor who is the lawful dependent of an Adult in the Household, as indicated by (i) a court order or other binding document establishing that such Adult is the legal guardian of, or is otherwise responsible for the custody and care of, such Minor, (ii) school records identifying such Adult as such Minor's legal guardian; (iii) written verification from a government agency, or a social service provider under contract to a government agency, confirming the placement of the Minor in the custody and care of such Adult, or (iv) federal or state income tax returns in which such Adult claims such Minor as a dependent.
4. "Guardian" shall mean an adult who is legally responsible for a Dependent.

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5. "Immediate Family Member" shall mean, with respect to any person, (i) his or her grandparent, parent or Guardian, child or Dependent (who meets the definition of "Dependent" set forth above), grandchild, sibling, spouse, or domestic partner, and (ii) any of their respective grandparents, parents or Guardians, children or Dependents, grandchildren, siblings, spouses, or domestic partners.
6. "Extended Family Member" shall mean, with respect to any person, (i) his or her Immediate Family Member, and (ii) his or her aunt, uncle, or first cousin, or any of their respective Immediate Family Members.

"Household" shall mean (i) a single person, or (ii) two or more persons who:

- (a) are Immediate Family Members;
- (b) are Extended Family Members who need to live together in order to support one another with respect to finances, child care, eldercare, medical care, or other extenuating family circumstance, as indicated by self-certifications explaining the family circumstances and needs; or
- (c) are financially interdependent, as indicated by (i) current leases or utility records demonstrating a shared address, and (ii) documentation, such as bank accounts, demonstrating shared assets.

If an applicant states that the applicant and his/her spouse are separated, then the Developer must require the applicant to provide "proof of a legitimate separation." A notarized statement is not sufficient proof of a legitimate separation. Examples of proof of a legitimate separation would be bank accounts or leases once held jointly are now no longer held jointly due to the separation. Both the latter and former documents must be provided to prove that the assets and/or lease were once held jointly but are no longer.

*Note on Student Rule for IRS Program Units: Low-income units in these programs are not to be occupied exclusively by students (for Low-Income housing tax credits, the IRS defines a "student" as a full-time student during five (5) calendar months of the calendar year at an educational institution, other than a correspondence school, with regular faculty and students), unless the household qualifies for an exception under the IRS code.

4) INCOME ELIGIBILITY

Income is determined in the same way income is determined under the federal Section 8 program. Developers should therefore obtain a current copy of the HUD Handbook 4350.3, which outlines these requirements. This handbook is available to print or view at <http://www.hud.gov>. In addition, the Developer should require its

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

marketing staff to attend an industry training where these requirements are reviewed in detail.

A1. Assets

GENERAL PROGRAMS

The Developer must require that all adult members of the applicant household complete a certification of assets, which must be signed and notarized. Samples of such certifications are included in this manual. See *Asset Certification, Attachment T*. This form must identify both the specific assets and the actual income earned from the assets (such as the interest rate for a bank savings account).

- If the total value of assets on the certification form is less than \$5,000, and such information is consistent with the assets identified on the applicant's housing application, IRS rules for Tax Credit compliance allow that this self-certification is the only documentation required and the identified income generated from the asset is added to employment and other income. *However, it is a common misconception that this IRS rule is intended to exclude income from assets if the total value is under \$5,000. The income from assets must still be counted, but if it is under \$5,000 no further verification beyond the self-certification is required. The self-certification must still disclose the specific assets and the income from said assets. Accordingly, vague certifications that merely certify that an applicant has less than \$5,000 in assets are **not** acceptable.*
- If the total value of assets equals or exceeds \$5,000—or if there is an unexplained difference between the assets noted on the application and those subsequently noted on the certification—complete asset verification documents must be obtained. Refer to HUD Handbook 4350.3 for guidance regarding the appropriate documents to be obtained based on the type of assets being verified. As required under tax credit rules for all verification, documents must be current within 120 days of the tenant income certification (TIC) effective date (which is ultimately the move-in date). When over \$5,000 total, the actual earned income from the asset is compared to the imputed value (2% of the total) and the higher of these amounts is added to the household income.

HDC's NEW HOP PROGRAM

Income from assets is only considered when the applicant's income falls within \$10,000 of the maximum income level for the unit; however, applicants may submit asset income for consideration if they need it to meet the minimum income. When a household's total annual income is within \$10,000 of the program maximum income then all adult members of the applicant household must complete a certification of assets, which must be signed and notarized.

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Samples of such certifications are included in this manual and this form must identify both the specific assets and the actual income earned from the assets (such as the interest rate for a bank savings account). See *Asset Certification, Attachment T*.

*Note: If a unit is also subject to another governmental subsidy, such as State Tax Credits, that program's governing agency should be consulted regarding any additional or different income and asset requirements. All asset requirements must be disclosed in the Marketing Plan and approved by the agencies.

A2. Employment Income

The Developer must require that for all adult household members reporting general employment income, **all of the following** must be provided:

- *The most recent year's complete tax return.* If after May 1, the most recent year's tax documents due by the preceding April *must* be provided *unless* an applicant provides a copy of his request to the IRS for an extension (IRS Form 4868). In such cases the *previous* year's complete tax return may be accepted until October 15th, when the extension expires. The gross income reflected on the most recent tax return will be "the tax return income".
- *The most recent consecutive pay stubs (minimum of 6).* Income must be calculated by both (a) averaging the pay stubs and (b) projecting the year-to-date. The higher of these two amounts will be "the pay stub income".
- *Third Party Verification directly from the employer.* The Developer must mail or fax this form (See *Attachment Z-1*) directly to the applicant's employer, with instructions for the employer to return directly to the Developer. Envelopes and fax confirmations must be maintained to document that the information was obtained via direct third party procedures, and not transmitted through the applicant's hands. This form will request current salary, year-to-date income, and information about bonuses and anticipated increases. The highest amount calculated based on this information will be "the third party income". An applicant cannot be penalized for the lack of response from his/her employer in completing and returning the verification. However, the Developer must make at least three (3) attempts to obtain such third party employment verification. Developer must also obtain Third Party Verification of Termination directly from previous employers who are listed on the applicant's application and/or previous year's tax return.
- *COMPARISON and DETERMINATION:* Based on the three employment income verification sources above, the Developer must compare the tax

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

return income, the pay stub income, and the third party income. *The highest of these amounts will be the employment income for the household member.*

- *Note: If an applicant has not filed taxes on reported income, the applicant will not be eligible for Agency-financed housing unless the applicant qualifies for a filing exemption under The Internal Revenue Code (see “Publication 501” on irs.gov). The Agency will not make available its limited housing resources to applicants with income that is required to be reported, but is not being reported, to governmental tax authorities.
- *Note: Unless a compelling argument can be made as to why an applicant’s income decreased, the tax return income will be the income calculated if it is the highest. The most obvious exceptions would be a decrease in income due to retirement or disability (or a widowed or divorced applicant whose most recent tax return still showed their spouse’s income).
- *Note: The Developer may request in writing that the Agency grant an exception to the above criteria if any other truly extenuating circumstance exists. The Agency will consider such requests on a case-by-case basis.

A3. Self-employment Income

Since self-employment income is more difficult to document via third party and subject to more variables and potential manipulation, special care must be given in the review of such income. The Developer must require that all adult household members reporting self-employment income provide both of the following:

- *Projected Self-Employment Income:* An estimate of current year’s earnings certified in (a) a letter from the applicant’s accountant, tax preparer or business manager OR (b) a notarized self-statement. If (b), the self –statement must be accompanied by additional documentation such as income receipts, a current financial statement/budget, or other information which supports the projection. This income will be “the projected self-employment income”.
- *Historical Self-Employment Income:* Most recent tax returns for the last three (3) years. (*Again, if after May 1, the most recent year due to be filed by the preceding April deadline must be provided unless documentation of an IRS extension filing is provided). If the applicant reported self-employment income in the same line of work for each of the three (3) years, then all three should be averaged *and evaluated*. If only the most recent two (2) years reflect self-employment income in the same

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

line of work, then those two years should be averaged and evaluated. The income calculated through these averages and evaluations will be “the historical self-employment income”.

- *COMPARISON AND DETERMINATION:* The projected and historical incomes are compared, and *the higher amount is what is used as income for the purposes of income eligibility.*

“Evaluated” means that the Developer must make an effort to identify any patterns that may logically result in a conclusion that the current or next year’s income will increase beyond the three (or two) year average. For example, the incomes for the past three (3) years for a self-employed applicant were \$30,000; \$32,000 and \$34,000. The straight average would be \$32,000. However, there is a clear pattern reflecting a gradual increase in this income source and so, consistent with that pattern, a logical evaluation of this applicant’s income would conclude that \$36,000 would be the current/next year’s income.

At least the most recent two years of tax returns must document that the applicant’s income has come from self-employment in the same line of work. Applicants who do not meet this “time test” have not established a suitable income-earning history through their self-employment, and there is insufficient data to accurately evaluate their income.

A4. Sporadic Income

Certain forms of income that are sporadic and non-recurring are not considered when calculating maximum household income as they are considered temporary in nature. All sources of income must be disclosed, but such non-recurring income may be excluded in the calculation process.

A5. Unemployed Household Members 18 and over

If a household member, who is 18 years of age or over, is unemployed, then the household member must complete an Unemployment Affidavit. See *Sample Unemployment Affidavit, Attachment I.*

A6. Continuing Need

For programs designed to be affordable for households at or below 60% of AMI, the applicant’s eligibility is also dependent on whether the applicant can demonstrate a “continuing need” for housing assistance. Any Agency-subsidized housing development aims to serve individuals and families with a true, continuing need for housing assistance and not those with other financial resources available or those who have a recent history of higher earning power and are only temporarily at an income level eligible for the program.

In determining “continuing need” for these programs, the below criteria must be satisfied, or the tenant is not eligible:

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- Asset Cap

The tenant must not have assets in an amount equal to or greater than \$250,000 (*Note: This does not include specifically designated retirement funds. A portion of retirement accounts may be counted to determine overall assets and income from assets, but such funds are not to be included in the \$250,000 cap.)

- Recent Income History

In addition to reviewing current income verifications, Developers must also evaluate an applicant's most recent income history based on their most recent tax returns. Unless a compelling argument can be made as to why an applicant's income decreased, the tax return income will be the income calculated if it is the highest. The most obvious exceptions would be an increase in income due to retirement or disability (or a widowed or divorced applicant whose most recent tax return still showed their spouse's income).

Here are examples:

The maximum income for a single applicant to Plaza Towers is \$30,000.

- Mary Smith is a seamstress who was laid off by her previous employer, where her tax return shows she earned \$32,000 a year. Her new employment with a different garment company pays her \$28,000 a year as documented by her pay stubs and 3rd party employer letter. *In this case, a compelling argument can be made not to use Mary's tax return income, even though that is the highest amount. The change in Mary's income was not voluntary and her new job/earnings are generally consistent with her recent history. The amount from her current pay stubs and 3rd party should therefore be used, under which she is eligible.*
- John Hower recently quit his job as a college professor, where his tax return shows he earned \$75,000 a year, to pursue other interests. He has recently started working as a waiter and presently earns \$27,000 a year based on his pay stubs and 3rd party verification. *In this case, no exception is warranted. John has clearly demonstrated a recent history of significantly higher earning patterns. The change appears to be voluntary and/or temporary in nature, which is not the intent of Agency-financed low-income housing programs (including those participating in the LIHTC Program). John is encouraged to apply to our programs in the future, after a minimum of a full year's tax returns as well as current verifications may document a suitable pattern of eligibility.*

The Developer may request in writing that the Agency grant an exception to the above criteria if a truly extenuating circumstance exists. The Agency will consider such requests on a case-by-case basis.

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A7. IRS Form 4506-T

The Developer must require all adult household members to execute three copies of IRS Form 4506-T, one for the owner/managing agent identified in line #5, the other for the Agency identified on the same line, and one with the New York City Department of Investigation noted in the same line. This form is a release by which the applicant authorizes the IRS to release transcripts directly to a third party. Furthermore, the applicant must complete an IRS Form 4506 – Request for a Copy of Tax Return, as well as a New York State DTF-505 Form Authorization for Release of Photocopies of Tax Returns and/or Tax Information. In the event that a tax return provided by the applicant appears to have potentially been altered or a file is otherwise suspicious, the Developer should make use of this form. The Agency also may make use of this form. Developers are encouraged to send these requests to the IRS upon receipt, so that in the event that files are flagged later at the Agency, an IRS response may already have been received back. Developer is to ONLY send in their copy. Do not send in Agency or DOI copies of forms.

If an applicant has been found to be eligible for a unit, then at the time of lease signing or sale closing, all adult household members must execute three new IRS Form 4506-T, Form 4506 and DTS-505 Form in accordance with the above. *See IRS and State Forms, Attachments R-1 through R-5.*

A8. Authorization to Release Information Form

The Developer must require that all adult household members execute a copy of the Authorization to Release Information Form.

5) BACKGROUND CHECKS AND OTHER FACTORS

Immigration Status/Credit History

Immigration status is not a condition of eligibility for any HPD- or HDC-financed building. Immigration status may not be questioned in any manner on the application, during the interview, or at any other time during the tenant screening process. This doesn't prevent a Developer from rejecting an applicant for failure to provide a Social Security Number or an Individual Tax Identification Number (TIN) when the Developer needs such information to check credit history. All applicants must be able to provide verifiable proof of legal income. Inability to provide documentation to verify income and credit is a basis for rejection, not immigration status.

Criminal Checks

The Developer must obtain a criminal background check for every applicant. The Developer must disclose in the project's selection plan which types of information revealed through such a check will or will not adversely impact an

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

applicant's eligibility. The Developer must find an applicant ineligible if one or both of the following criminal findings is flagged during the criminal background check:

- A prior conviction of fraud in connection to any governmental housing program;
- An applicant is a criminal fugitive being sought by law enforcement for either incarceration or deportation (as such applicants would not lawfully be able to "anticipate" income or even be anticipated to be an included member of the household).

Housing Court Records.

The Developer may not automatically reject an applicant based on the applicant's housing court records. For instance, if the applicant can show that the case was brought about at no fault of their own, the applicant would remain eligible. The Developer must allow a reasonable amount of time, **and not less than 10 days**, for an applicant to contest a housing court record. If the applicant does not provide proof of no fault within the 10 day period, then the Developer may reject the applicant for failing to provide proof of no fault. The applicant then has the allotted time to appeal the decision.

Discovery of False Information

Submitting false or knowingly incomplete information to induce eligibility is grounds for rejection and may also lead to further investigation and, potentially, criminal prosecution.

Even before a file is submitted to the Agency, there are times when Developers may independently detect applicants who have falsified information. For example, the tax transcripts may come back and differ from the provided returns, or provided pay stubs or other documents may be detected as having been tampered with. In all such cases, this fraud (or potential fraud) must be reported. Even if it is detected early and does not result in the applicant receiving a unit, the attempt of fraud itself must be reported. Developers and their agents may report such findings to the Agency or, if they prefer, directly to The NYC Department of Investigation.

6) OCCUPANCY STANDARDS AND UNIT DISTRIBUTION

Occupancy Guidelines

The Developer must establish occupancy criteria based on unit size. Such criteria must be consistent with federal, state and local laws and with the Agency Regulatory Agreement. HUD has provided some guidance for establishing these criteria in the HUD Handbook 4350.3, Chapter 3, and Paragraph 3-23. This guidance states in part that, generally, a two person per bedroom standard is acceptable. However, it makes the following important distinction:

Owners must avoid making social judgments on a family's sleeping arrangement.

MARKETING GUIDELINES - OUTLINE OF PROCEDURES

For example, it is not for the owner to determine whether an unmarried couple may share the same bedroom or whether a young child can share a bedroom with a parent.

In keeping with the above guidance, to maximize the utilization of its affordable units (another point considered in HUD's guidance) it is clear that married or similarly committed couples are intended to share one bedroom. Apart from that, however, if a family (a) qualifies as a household as defined in these Marketing Guidelines and (b) qualifies by both number of persons and income for more than one unit size, then it should generally be that family's decision as to which unit size they choose. The only additional exceptions would be certain programs, which may have statutorily imposed occupancy standards.

- ✓ **The Marketing Plan must clearly outline the Developer's occupancy criteria and associated statutory requirements.**

Unit Distribution

See Attachment U, Sample Apartment Distribution Chart.

The allocation of units (total number and number for each unit size) must match the information in the Agency Regulatory Agreement. For mixed-income buildings, please also note the following requirement pertaining to the distribution of units:

For 80/20 and other mixed-income developments only:

As soon as any of the units in the development are available for occupancy, at least twenty percent of those units must be occupied, or made continuously available for occupancy, by low-income households. The Developer is not to segregate or physically isolate the low-income units from those units not occupied by low-income tenants. Low-income tenants must be reasonably dispersed throughout the development. The Developer must also ensure that approximately twenty percent of each unit type (i.e. studio, one-bedroom, two-bedroom units) is low-income.

*Note: Distribution of all affordable units must be approved by the Agency.

7) **RENT LEVELS AND INCOME STANDARDS:**

Rents:

The Developer must establish the rents in accordance with the Agency Regulatory Agreement.

Maximum Income Levels:

The Agency will provide tenant income eligibility levels as modified by household size.

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Minimum Income Levels:

Minimum income levels are established by the Developer based on the rent levels. However, the standard barometer for affordability is a family paying 30% of household income for rent purposes. In no instance should the minimum income established for initial rent-up result in a family paying more than 35% of income for rent. Although established by the Developer, minimum income levels are subject to approval by the Agency. However, the Developer may not establish minimum income levels for applicants with Section 8 or similar forms of housing subsidy. Such applicants must be accepted provided they meet all other eligibility criteria outlined in the marketing plan.

FOR LOW INCOME HOUSING TAX CREDIT COMPLIANCE:

Mixed-income projects participating in low income housing tax credit program, must elect designation as either “deep rent skewed” or “non-deep rent skewed” when they are originally placed in service.

Deep Rent Skewed Properties

Properties that Deep Rent Skew must have at least 15 percent of all the low income units occupied with tenants with incomes that are 40 percent or less of area gross median income and rents are restricted.

For properties that Deep Rent Skew, the Available Unit Rule must be implemented whenever a current household has an income level exceeding 170% of the current income limit. The Available Unit Rules states that if a tenant’s income increases to over 170% of the then-current income limit for the unit occupied by such tenant, the unit may continue to be deemed a low income unit provided the Developer rents the next available low income unit at the property to a family with an income equal to or below 40% of the area gross median (AMI) income at a restricted rent.

When a Developer of a property that Deep Rent Skews submits a re-rental file for Agency review, then the Developer must submit a Deep Rent Skew Certification, *Attachment V-1* along with the file.

Mixed-Income / “Non-deep rent skewed” properties

A Mixed-Income building is a building that includes market-rate units. For buildings that are Mixed-Income, the Available Unit Rule must be implemented whenever a current tenant has a household income level exceeding 140% of the current income limit. If a Developer discovers that a tenant’s income is above 140% of the current income limit, the Developer may continue to include the unit in the applicable fraction if the Developer rents the next available unit of comparable or smaller size in the same building to a tax credit eligible family at a restricted rent.

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When a Developer of a Mixed-Income building submits a re-rental file for Agency review, then the Developer must submit a Mixed-Income Certification, *Attachment V-2* along with the file.

8) OTHER

Incorporation of “Fair Housing Laws”

There are Federal, State and local laws, orders and regulations prohibiting housing discrimination (“Fair Housing Laws”). Such Fair Housing Laws, as they may be amended from time to time, are hereby explicitly incorporated in these Procedures, any violation thereof will be a violation of these procedures.

Amendments

The Agency reserves the right to amend any provision of these procedures.

Inspections

The Agency reserves the right to conduct periodic inspections and spot-checks of the Developer’s marketing budget and procedures.

Brokers

The Broker Forms, Attachments R-7 and R-8 are to be completed and submitted with all applicant files that are not from the original lottery. If a project has gone “Open Market,” then the appropriate form must be completed by the Managing Agent or the Developer. If a new project that is still in its initial lease up goes “Open Market,” then the appropriate form must be submitted for all applicants not received from the lottery. The Third Party/Broker form does not need to be submitted for an applicant from the initial lottery.

Household Student Status Affidavit at Recertification

For units with income limits set at or below 60% of New York City’s Area Medium Income (AMI) Limit, please use Attachment Z-2 during the Annual Recertification process.

SUBMISSIONS AND ONGOING REPORTING REQUIREMENTS



MARKETING GUIDELINES – SUBMISSIONS

Both HPD and HDC require submission of the following items during the pre-marketing and marketing periods:

- Marketing Plan (to include all required information as described herein). See *Marketing Plan Checklist, p. 10*.
- Applicant Information Forms (AIF) and Tenant Income Certifications (TIC) completed by applicants and Developer. See *Attachments M and L1 – L4*.

Only HDC requires submission of the following items during the pre-marketing and marketing periods:

- The form of lease and all riders for Agency review. Additionally, the Pre-lease Acknowledgement and Certification and the HDC Lease Rider is to be used with all units. See *Attachments N, O and P*.
- In addition to Tenant Income Certifications, HDC projects require all documentation verifying income eligibility and family size. These certifications and verification documents, along with the Tenant Income Certification Submission Cover Letter, must be immediately forwarded to HDC for review *prior* to the anticipated dates of acceptance of the tenant and the signing of the lease.

For vacancies subsequent to initial project occupancy, the required Tenant Income Certifications and supporting documents must be transmitted for HDC review and approval prior to the signing of the lease.

Applicants must be informed by the owner that they will not be allowed to occupy a unit until HDC has reviewed and approved their Tenant Income Certification (TIC).

- Owner certification indicating the move-in date for the first tenant to occupy the development. (Once you have submitted this form for the “first tenant that occupies a unit in the project,” it does not have to be used thereafter.) See *Attachment W*.
- Unit Inspection Forms must be executed by approved residents and the owner and placed in the tenant’s file. This file must be kept at the management office. See *Attachment X*.
- After the initial lease-up of all the units in the project, certain obligations pertain to the project. In particular, Developers must submit on a quarterly basis, the move-out and/or unit transfer status report for the project along with the current rent roll. See *the Quarterly Unit Vacancy Report Instructions and Report, Attachment Y-1 and Y-2*.

ATTACHMENTS



MARKETING GUIDELINES – LIST OF ATTACHMENTS

- A-1. Site Sign Request Form
- A-2. Web Site Posting Form

- B. Marketing Plan Summary Sheet

- C. Notice of Intent to Begin Marketing

- D. Community Contact Letters

- E. Outline for Management Plan

- F-1. Advertisement Instructions
- F-2. Sample Advertisement
- F-3. Routing Slip of Advertisement Approvals
- F-4. Evidence of AFHM
- F-5. HUD 935.2a Form

- G-1. Application Cover Letter (Low Income)
- G-2. Application Cover Letter (Middle Income)
- G-3. Sample Application

- H-1. Sample Eligibility and Interview Letter
- H-2. Sample Ineligibility Letter
- H-3. Sample Approval Letter
- H-4. Sample Rejection Letter
- H-5. Sample Low Priority Letter
- H-6. Sample Wait List Letter

- I. Sample Unemployment Affidavit

- J-1. Log Sheet Sample (Rental)
- J-2. Log Sheet Sample (Home)

- K. Notice of Remarketing

- L-1. Checklist for Income Cert
- L-2. TIC Submission Cover Letter
- L-3. TIC (Low Income)
- L-4. TIC Middle Income

- M. AIF

- N. Pre-lease Acknowledgement

- O. HDC Lease Rider (Low Income)

- P. HDC Lease Rider (Middle Income)

- Q. Reaffirmation of Income

- R-1. IRS Form 4506-T (HDC)
- R-2. IRS Form 4506-T (Agent)
- R-3. IRS Form 4506-T (DOI)
- R-4. IRS 4506 (DOI)
- R-5. NYS DTF-505 Form (DOI)
- R-6. Authorization to Release Information
- R-7 & R-8. Broker / Third Party Certification

- S. List of Agencies Eligible for Municipal Preference

- T. Asset Certification

- U. Unit Distribution Chart

- V-1. Certification for Deep Rent Skewed Projects
- V-2. Certification for Mixed Income / “Non-Deep Rent Skewed” Projects

- W. Owner Cert of Initial Move-In

- X. Unit Inspection Form

- Y-1. Quarterly Vacancy Report Instructions
- Y-2. Quarterly Unit Vacancy Report

- Z-1. Employment Verification Form
- Z-2. Household Student Status Affidavit at Recertification

EXHIBIT G:
Proposal Forms

Form A: Completeness Checklist and Applicant's Letter

A1 – Completeness Checklist (Tab A)

Before completing the following forms, please see instructions in **Section IX (Submission Requirements)**.

Tab	Form	✓
A	Completeness Checklist and Applicant's Letter	
	1. Completeness Checklist (Form A-1)	
	2. Applicant's Letter (Form A-2)	
B	Project Summary and Project Narrative	
	1. Proposal Narrative (<i>provided by Applicant</i>)	
	2. Proposal Summary (Form B)	
C	Applicant Description	
	1. Development Team Information and Applicant Questionnaire (Form C-1)	
	2. Not-For-Profit Organization Form (Form C-2)	
	3. Additional Evidence of Experience and Qualifications (<i>provided by Applicant</i>)	
D	Development Experience, Management Experience and Current Workload	
	1. Residential Development Experience and Current Workload (Form D-1)	
	2. Residential Management Experience and Current Workload (Form D-2)	
	3. Management Questionnaire (Form D-3)	
E	Assets Statement	
	1. Assets Statement (Form E or alternate statements)	
F	Development Schedule (<i>provided by Applicant</i>)	
G	Design Team Experience & Narrative (<i>provided by Applicant</i>)	
H	Architectural Submission (<i>provided by Applicant</i>)	
I	Sustainability	
	1. Narrative (<i>provided by Applicant</i>)	
	2. 2011 Enterprise Green Communities Overlay for HPD Projects (Appendix D)	
J	Environmental Proposal	
K	Financing Proposal	
	1. Financing Proposal (Form K)	
	2. Financing Narrative (<i>provided by Applicant</i>)	
L	Financing Letters of Interest (<i>provided by Applicant</i>)	
M	Community Facility Plan & Experience (<i>provided by Applicant, if applicable</i>)	
N	Marketing Plan (<i>provided by Applicant</i>)	
O	NYCHA Resident Hiring Plan (<i>provided by Applicant</i>)	

**NextGeneration NYCHA RFP
Form A2 – Applicant’s Letter**

New York City Housing Authority
Department for Development
250 Broadway, 3rd floor
New York, NY 10007
Attention: Burton Leon

NYC Department of Housing Preservation and Development
Office of Neighborhood Strategies
100 Gold Street, 9Z
New York, NY 10038

Re: Proposal in Response to *NextGeneration NYCHA RFP*

Dear Mr. Burton:

This letter is being submitted in connection with my proposal (“Proposal”) submitted in response to the Request for Proposals (“RFP”) issued by the New York City Housing Authority (“NYCHA”) and the Department of Housing Preservation and Development (“HPD”) of the City of New York (“City”) for the *NextGeneration NYCHA RFP*.

I have received, read, and understand the provisions of the RFP. I understand that selection of an Applicant (“Applicant”) under the RFP for disposition of the Development Site and the development of the Project described in the RFP (“Project”) will mean only that NYCHA and HPD will commence negotiations with such Developer regarding the development of the Development Site.

I recognize that any negotiations with NYCHA and HPD will be subject to the following terms and conditions:

1. The commencement of negotiations will not represent any obligation or agreement on the part of the City and NYCHA, which may only be incurred or entered into by a written agreement which has been (i) approved as to form by the City’s Law Department, (ii) approved by the Mayor after a hearing on due notice; and (iii) duly executed by the Applicant, NYCHA, and the City. The Negotiation Letter will only indicate NYCHA and HPD’s intention to commence negotiations, which may ultimately lead to the execution of such an agreement.
2. The Applicant will not have permission to enter upon the Development Site, which permission will only be granted, if at all, in the form of a license agreement duly executed by the Applicant and NYCHA. The execution of any such license agreement, if it occurs, will only indicate that NYCHA has granted permission for the Applicant to enter onto the Development Site for the limited purposes stated in the scope of work set forth therein, and will not indicate that NYCHA reached any other agreement with the Applicant regarding the Development Site or the Project.
3. The following requirements will have to be satisfied prior to the disposition of the Development Site:

The ground lease of the Development Site and tax exemptions to be granted, if any, must be reviewed and approved in accordance with all applicable NYCHA, HPD and City policies, which include, but are not limited to, the following:

- a. The Applicant, any other potential grantee of the Development Site, and their respective Principals must successfully undergo a background check concerning their suitability to do business with the City and NYCHA.
 - b. The Development Site will not be leased to any person or entity which, or to any entity with a Principal who: (i) has not fulfilled development responsibilities undertaken in connection with the City, NYCHA, or other governmental entities, (ii) is in default on any obligations to the City, (iii) is a former owner of the Development Site, or (iv) has lost real property to the City in tax or lien enforcement proceedings.
 - c. The price and other terms for the ground lease of the Development Site and the tax exemption(s) to be provided, if any, will be consistent with applicable City and NYCHA policies.
 - d. The grantee must execute legal documents in form and substance acceptable to NYCHA, HPD and in form approved by the City's Law Department.
4. During negotiations, the Applicant must diligently, competently, and expeditiously comply with all requirements communicated to the Applicant by NYCHA and HPD.
 5. The design of the Project must comply with any applicable NYCHA and HPD development requirements and guidelines.
 6. NYCHA, HPD or the Applicant may terminate negotiations at any time with or without cause. Negotiations may be terminated if Applicant does not commence construction within eighteen (18) months from the date of the Negotiation Letter.
 7. If negotiations are terminated by NYCHA, HPD or the Applicant, whether with or without cause, or if negotiations terminate automatically, then neither NYCHA, the City nor the Applicant will have any rights against or liabilities to the other.
 8. The City or NYCHA is not obligated to pay, nor will it in fact pay, any costs or losses incurred by the Applicant at any time, including, but not limited to, the cost of: (i) any prior actions by the Applicant in order to respond to any selection process, or (ii) any future actions by the Applicant in connection with the negotiations, including, but not limited to, actions to comply with requirements of NYCHA, HPD, the City, or any applicable laws.

Very truly yours,

Signature

Title

Applicant

NextGeneration NYCHA RFP
Form B – Proposal Summary

*The summary below **MUST** be consistent with the rest of the Proposal (e.g. Financing Proposal and Design Narrative).

Unit Summary

Building Name/Description	Rental Units	Homeownership Units	Super Units	Total Units	Gross Square Feet
Total					
% of Total Project				-	-

Affordability Summary

Building Name/Description	___%AMI	___%AMI	___%AMI	___%AMI	___%AMI
Total Units					
% of Total Project					

Unit Count by Type

Building Name/Description	Studio	1BR	2BR	3BR/4BR
Total Units				
% of Total Project				

Average Unit Size (SF)

Building Name/Description	Studio	1BR	2BR	3BR/4BR

Summary of other uses (commercial, community facility, etc.)

Building Name/Description	Use	Gross Square Feet
Total Gross Square Feet		

Form C: Development Team Information and Applicant Questionnaire

C1 – Development Team Information (Tab C)

All applicants shall complete pages 1 - 3 of this form. Applicants that include a not-for-profit entity as principal of the developer or part of the Development Team shall also complete pages 4 -6.

Name of Applicant: _____

Name of Contact Person: _____ E-mail: _____

Mailing Address: _____

Telephone No: _____ Alternate Phone: _____

COMPOSITION OF APPLICANT ENTITY:

1. Type of organization (i.e. partnership, corporation, limited liability company, joint venture): _____

2. Provide the following information about all principals of the applicant. For corporations, provide the names of the officers and any shareholders owning 10% or more; for partnerships, provide the names of all general partners. For joint ventures, provide the information separately for each entity that comprises the joint venture. Also, state the role(s) that each principal would play in the development of the sites, using the categories specified below.

NAME OF ENTITY # 1: _____ **Percent Interest in Proposed Project:** _____

PRINCIPALS: Name/Position/Title	Home Address	Role*	% Interest in Entity

NAME OF ENTITY # 2: _____ **Percent Interest in Proposed Project:** _____

PRINCIPALS: Name/Position/Title	Home Address	Role*	% Interest in Entity

* Role Categories: GP = General/Managing Partner; GC = General Contractor; F = Provides financing, inactive; A = Architect; L = Legal Services; MA = Managing Agent; O = Other (specify)

Use additional sheets as necessary.

3. Provide the names, addresses, e-mail addresses, and telephone of members of the development team to the extent that these have been decided; if unknown, enter "N/A".

DEVELOPMENT TEAM:

<u>Architect:</u>	<u>Marketing Agent:</u>
<u>General Contractor:</u>	<u>Managing Agent:</u>
<u>Legal Counsel:</u>	<u>Social Service Provider:</u>
<u>Other:</u>	<u>Other:</u>

Is there an identity of interest between any principals of the developer and any other entities that make up the development team? Yes [] No []

If yes, please explain.

4. Has any principal identified above, or any organization in which the principal is or was a general partner, corporate officer, or owned more than 10% of the shares of the corporation, been the subject of any of the following:

- (1) Conviction of, or charges currently pending for, arson, fraud, bribery, or grand larceny any felony or crime of dishonesty?
Yes [] No []
- (2) Noncompliance with fair housing or anti-discrimination laws, any applicable codes or ordinances, labor laws, or construction laws?
Yes [] No []
- (3) Had an ownership or management interest in real property that was the subject of a tax lien sale, was or is the subject of tax, mortgage, or lien foreclosure or enforcement proceedings, or is currently in tax or mortgage arrears?
Yes [] No []
- (4) Had an ownership or management interest in a property with respect to which HPD commenced an action in the Housing Part of the Civil Court, or with respect to which an administrator was appointed pursuant to Article 7-A of the Real Property Actions and Proceedings Law?
Yes [] No []
- (5) Denial of a certification of no harassment or any administrative or judicial finding of harassment?
Yes [] No []
- (6) Default or poor performance rating under any agreement with, or suspension or debarment by, any governmental entity?
Yes [] No []
- (7) In the last seven years, filed a bankruptcy petition or been the subject of involuntary bankruptcy proceedings?
Yes [] No []
- (8) In the last five years, failed to file any required tax returns, or failed to pay any applicable Federal, State of New York, or City taxes or other charges?
Yes [] No []
- (9) Had any negative findings from the City's Department of Investigation?
Yes [] No []

If the answer to any question is yes, provide the following information about each instance: name of principal(s); name(s) of organization(s) or corporation(s); principal's status in the organization or corporation (e.g. officer), the date of the action, and current status and disposition.

CERTIFICATION

[This certification must be signed by one of the principals listed above; if the applicant is a joint venture, it must be signed by a principal of each entity that comprises the joint venture.]

I certify that the information set forth in this application and all attachments and supporting documentation is true and correct. I understand that the City of New York will rely on the information in or attached to this document and that this document is submitted to induce the City of New York to select this proposal for development of a site.

I understand that this statement is part of a continuing application and that until such time that the subject project is finally and unconditionally approved by the City of New York, I will report any changes in or additions to the information herein, and will furnish such further documentation or information as may be requested by the City of New York or any agency thereof.

I understand that if I receive preliminary designation to develop this site, I must submit all additional disclosure forms required.

Name of Organization

Signature

Date

Print or Type Name and Title

Name of Organization

Signature

Date

Print or Type Name and Title

C2 – Not-For-Profit Organization: Applicant Description

Name of Organization: _____

Office Address: _____

City: _____ State: _____ ZIP Code _____

Executive Director: _____

Contact Person: _____ Title: _____

Phone No. _____ FAX No. _____

ROLE OF ORGANIZATION IN THE PROJECT: Describe the role that the not-for-profit organization will play, such as developer, marketing agent, etc.

Date Established: _____ Date Incorporated: _____

CERTIFICATION: I CERTIFY THAT THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT AND ITS ATTACHMENTS IS TRUE AND CORRECT.

Signature of Officer

Print Name and Title

Date

C2 – Not-For-Profit Organization: Directors, Officers, and Key Staff

Name of Organization: _____

Name and Home Address	Position and/or Office in Organization	Date of Initial Appointment	Current Occupation and Name of Employer

Use additional sheets as necessary

C2 – Not-For-Profit Organization: Major Sources of Funding

Name of Organization: _____

Provide the following information regarding your major sources of funding during the two years preceding the deadline for submission of proposals under this RFP.

Funding Source (Agency, Department, etc.)	Name of Program	Contact Person Name and Phone Number	Purposes of Funding	Dates of Funding	Funding Amount

Use additional sheets as necessary

D3 – Management Questionnaire

1. Across your portfolio, what is the typical ratio of property managers to number of units? Describe if staffing plans differ based on the funding source (e.g. LIHTC or HOME).
2. Describe the management and maintenance staffing plan envisioned for this project. If you have one, please submit a sample or project-specific Management Plan.
3. What property management certifications and licenses are held by your staff? (For example: RAM or IREM certification, tax credit certification, commercial real estate broker's license, etc.)
4. Please describe any LIHTC and/or HOME compliance coursework management staff has completed.
5. Has any property managed by the manager or owned by the owner ever had a recapture of LIHTC? If so, please explain in detail. Please include instances where you may have purchased or taken over management of a property with open compliance issues.
6. Have IRS Forms 8823s been issued for your properties, reporting noncompliance that was uncorrected at the time of issuance? If so, how many have been issued? Please include instances where you may have purchased or taken over management of a property with open compliance issues.
7. Do any properties managed by the manager or owned by an affiliate of the owner have open HOME compliance issues? If so, please explain in detail. Please include instances where you may have purchased or taken over management of a property with open compliance issues.
8. Do any properties managed by the manager or owned by an affiliate of the owner have open Class C NYC Housing Maintenance Code violations or open NYC DOB violations? If so, please explain in detail. Please include instances where you may have purchased or taken over management of a property with open violations.
9. Has the management company or any of its principals been disbarred by HUD or any other government agencies?
10. What is the vacancy rate across your portfolio as of the date of this submission? Please explain.
11. What are delinquent rents as a percentage of total rent roll across your portfolio of owned/managed properties? Please submit data showing arrears at 30, 60, and 90+ days arrearages.
12. Please submit a sample Monthly Management Report from the last year for an affordable housing property of your choosing.

Form E: Assets Statement

E- Assets Statement (Tab E)

[Assets Statement must describe financial status within the last twelve months and must be dated and signed.]

Principal or Individual whose assets are described below:

1. Personal Information

Name:

Business Name:

Business Phone:

Residence Address:

City:

State:

Zip Code:

Business Address:

City:

State:

Zip Code:

Position (Title):

Years of Service:

Salary:

Bonus/Commission:

Other Income:

Source of Other Income:

Are you a defendant in any lawsuits or legal action that may impact your financial standing?

If so, please describe:

Do you have any contingent liabilities?

If so, please describe:

2. Statement of Financial Condition

Assets	Dollars (omit cents)	Liabilities	Dollars (omit cents)
Cash On Hand and in Banks		Notes Payable to Banks <i>Secured</i>	
Notes Receivable		Notes Payable to Banks <i>Unsecured</i>	
Mortgages Owned		Notes Payable to Others <i>Secured</i>	
		Notes Payable to Others <i>Unsecured</i>	
Marketable Securities Owned See Schedule A		Debt Balances in Margin Accounts with Brokers	
Real Estate Owned		Mortgages on Real Estate	
Cash Value of Life Insurance		Loans Against Life Insurance	
Other Assets* (Itemize)		Other Liabilities (Itemize)	
Total Assets		Total Liabilities	
		Net Worth	

* Any interest in a closely held business must be documented by providing a current balance sheet for that business and stating the percent of interest held by the applicant.

Schedule A: Marketable Securities Owned

List separately and check (X) next to those pledged as collateral.

Marketable Securities Owned	Dollars (Omit Cents)	Collateral?

3. Signature Page

You, the undersigned hereby represent the above to be a true and accurate Statement signed as of the date herein.

Name of Principal: _____

Signature of Individual: _____

Print Name and Title of Individual: _____

Date: _____

**NextGeneration NYCHA RFP
Form K: Rental Pro Forma**

Instructions

Please complete this pro forma for the rental component of your project. Fill in the cells shaded blue. Keep cells linked and maintain calculations. If you modify given assumptions, please clearly note the changes.

Applicants should provide separate pro formas for each component of a project that will be separately financed.

Applicants must provide these forms in Excel file format on a flash drive in addition to the hard copies submitted in the binder.

NextGeneration NYCHA RFP

Site:

Units:

-

SOURCES AND USES

Construction Sources			per DU	% of total
First Mortgage (Lender: )	)	#DIV/0!	#DIV/0!	#DIV/0!
Second Mortgage (Lender: )	)	\$0	#DIV/0!	#DIV/0!
Third Mortgage (Lender: )	)	\$0	#DIV/0!	#DIV/0!
Fourth Mortgage (Lender: )	)	\$0	#DIV/0!	#DIV/0!
	LIHTC Equity	\$0	#DIV/0!	#DIV/0!
	Deferred Developer's Fee	\$0	#DIV/0!	#DIV/0!
	Developer Equity	-	#DIV/0!	#DIV/0!
Other source (Specify: )	)	\$0	#DIV/0!	#DIV/0!
	Gap/(Surplus)	\$0	#DIV/0!	#DIV/0!
TOTAL SOURCES		#DIV/0!	#DIV/0!	#DIV/0!

Permanent Sources				
First Mortgage (Lender: )	)	#DIV/0!	#DIV/0!	#DIV/0!
Second Mortgage (Lender: )	)	\$0	#DIV/0!	#DIV/0!
Third Mortgage (Lender: )	)	\$0	#DIV/0!	#DIV/0!
Fourth Mortgage (Lender: )	)	\$0	#DIV/0!	#DIV/0!
Other source (Specify: )	)	\$0	#DIV/0!	#DIV/0!
	LIHTC Equity	\$0	#DIV/0!	#DIV/0!
	Deferred Developer's Fee	#DIV/0!	#DIV/0!	#DIV/0!
	Developer Equity	#DIV/0!	#DIV/0!	#DIV/0!
Other source (Specify: )	)	\$0	#DIV/0!	#DIV/0!
	Gap/(Surplus)	\$0	#DIV/0!	#DIV/0!
TOTAL SOURCES		#DIV/0!	#DIV/0!	#DIV/0!

Uses				
Acquisition Cost		\$0	#DIV/0!	#DIV/0!
Construction Cost		\$0	#DIV/0!	#DIV/0!
Soft Cost		#DIV/0!	#DIV/0!	#DIV/0!
Developer's Fee		\$0	#DIV/0!	#DIV/0!
TOTAL USES		#DIV/0!	#DIV/0!	#DIV/0!

DEVELOPMENT BUDGET

		Developer Costs		
Acquisition Cost			-	
Construction Cost				
Contractor Price				
Residential	#DIV/0! /du		#DIV/0!	psf
Commercial Space			#DIV/0!	psf
Community Space			#DIV/0!	psf
Parking			#DIV/0!	psf
Contingency				
Total Hard Cost	#DIV/0! /du		-	#DIV/0! average per sf
Soft Cost				
Borrower's Legal				
Borrower's Engineer/Architect Fees				
Accounting & Cost Certification				
Housing/Development Consultant				
Bank's Engineer				
Bank Legal				
Permits and expediting				
Environmental Phase I & II				
CEQR				
Borings				
Survey				
Geotechnical				
Title Insurance				
Appraisal				
Other (Specify: _____)				
Subtotal			\$0	
Financing Fees (Please maintain links to original calculations and note any changes)				
Upfront L/C Fee		of LOC amt	#DIV/0!	
Annual L/C Fee		of LOC amt	#DIV/0!	
HDC Fee (if applicable)		of HDC cons 1st	#DIV/0!	
NY State Bond Issuance Charge		of HDC cons 1st	#DIV/0!	
Costs of Issuance		of HDC cons 1st	#DIV/0!	
HPD Fee (if applicable)				
Interest Rate Cap (estimate)				
Tax Exemption/Abatement Fees & Consultant				
LIHTC Application Fee				
Non Profit Sponsor				
Other (Specify: _____)				
Subtotal			#DIV/0!	
Carrying Costs				
Construction Interest			#DIV/0!	(change link if assuming variable rate)
Negative Arbitrage			#DIV/0!	
Mortgage Recortng Tax				
Water/Sewer & Real Estate Taxes				
Utilities				
Insurance				
Construction Monitor				
Marketing				
Security				
Other (Specify: _____)				
Subtotal			#DIV/0!	
Reserves and Contingency				
Social Service Reserve				
Capitalized Operating Reserve	/unit		-	
Additional Operating Reserve (if applicable)				
Soft Cost Contingency				#DIV/0! of soft costs
Subtotal			-	
Total Soft Costs				
			#DIV/0!	
Developer's Fee				
				#DIV/0! of TDC less Dev Fee
Total Development Cost:				
			#DIV/0!	
Construction Sources				
First Mortgage (Lender:)			#DIV/0!	#DIV/0!
Second Mortgage (Lender:)			-	#DIV/0!
Third Mortgage (Lender:)			-	#DIV/0!
Fourth Mortgage (Lender:)			-	#DIV/0!
LIHTC Equity				#DIV/0!
Deferred Developer's Fee				#DIV/0!
Developer Equity				#DIV/0!
Other source (Specify:)				#DIV/0!
Gap/(Surplus)			#DIV/0!	#DIV/0!
Total			#DIV/0!	#DIV/0!
Permanent Sources				
First Mortgage (Lender:)		#DIV/0!		#DIV/0!
Second Mortgage (Lender:)		-		#DIV/0!
Third Mortgage (Lender:)		-		#DIV/0!
Fourth Mortgage (Lender:)		-		#DIV/0!
LIHTC Equity				#DIV/0!
Deferred Developer's Fee				#DIV/0!
Developer Equity				#DIV/0!
Other source (Specify:)				#DIV/0!
Gap/(Surplus)			#DIV/0!	#DIV/0!
Total			#DIV/0!	#DIV/0!

CONSTRUCTION INTEREST

Bond Amount			% of bond
Long Term Amount	#DIV/0!	#DIV/0!	#DIV/0!
Short Term Amount	#DIV/0!	#DIV/0!	#DIV/0!
Total Bond Amount	#DIV/0!	#DIV/0!	#DIV/0!

Term	Months	Years
Construction term		0.00
Rent-up & conversion term		0.00
Total term	0	0.00

Fixed Rates	
Long Term	
Short Term	
2nd Construction	
3rd Construction	
4th Construction	

Variable Rate	
SIFMA	0.00%
+ ___ bps cushion	0.00%
Variable Rate	0.00%

Interest Calculations

Fixed Rate	Amount	% Outstanding	Term (years)	Interest Rate	Interest
1st - Short Term	#DIV/0!	50%	0.0	0.00%	#DIV/0!
	#DIV/0!	100%	0.0	0.00%	#DIV/0!
1st - Long Term	#DIV/0!	50%	0.0	0.00%	#DIV/0!
	#DIV/0!	100%	0.0	0.00%	#DIV/0!
2nd Construction	\$0	100%	0.0	0.00%	\$0.00
3rd Construction	\$0	100%	0.0	0.00%	\$0.00
4th Construction	\$0	100%	0.0	0.00%	\$0.00
Total Fixed Rate Cons. Interest					#DIV/0!

Variable Rate	Amount	% Outstanding	Term (years)	Interest Rate	Interest
HDC 1st	#DIV/0!	50%	0.0	0.00%	#DIV/0!
	#DIV/0!	100%	0.0	0.00%	#DIV/0!
HDC 2nd	\$0	100%	0.0	0.00%	\$0.00
	\$0	100%	0.0	0.00%	\$0.00
Total Variable Rate Cons. Interest					#DIV/0!

NEGATIVE ARBITRAGE

(for fixed-rate deals only)

Investment Rate		
	Short Term	Long Term
Rate	0.00%	0.00%
Short Term Amount	#DIV/0!	#DIV/0!
% Outstanding	50%	50%
Investment Spread	0.00%	0.00%
Construction Term (years)	1.5	1.5
	#DIV/0!	#DIV/0!
Negative Arbitrage	#DIV/0!	

LETTER OF CREDIT AMOUNT

Bond Amount	#DIV/0!
Days Interest	#DIV/0!
LC Amount	#DIV/0!

SF DISTRIBUTION	GSF	Efficiency	NSF
#DIV/0!	Residential GSF		0
#DIV/0!	Commercial GSF		0
#DIV/0!	Community GSF		0
#DIV/0!	Parking GSF		0
	0 Total Project GSF		0 Total Project NSF

UNIT DISTRIBUTION	# of Units	# of Rms/ DU	# Rooms	Average Net SF per Unit
Studio	0	2	0	
1 Bedroom	0	3	0	
2 Bedroom	0	4	0	
3 Bedroom	0	5	0	
Subtotal	0		0	
Super's Unit			0	
Total	0		0	0 Net Residential Square Feet
			#DIV/0!	Average Net SF per DU

COMMERCIAL AND ANCILLARY INCOME	# of Spaces	Monthly Rent	Annual Income
Parking			\$0
Commercial	Total s.f. 0	Annual Rent/s.f.	\$0
Community	Total s.f. 0	Annual Rent/s.f.	\$0
Laundry	# units 0	Annual per unit	\$0
Total Commercial & Ancillary Income			\$0 #DIV/0!

RESIDENTIAL INCOME				Electricity Allowance		Gas Allowance	
2015 HUD Income Limits		86,300	Family of Four	2 rooms	studio	40	17
		1,481	2 BR FMR	3 rooms	1 BR	41	18
				4 rooms	2 BR	42	18
				5 rooms	3 BR	55	18
Rent Less Electricity = 1, Rent Less Electricity/Gas = 0						1	
Note: For market rate units, please hard code rents							
HUD IL		0					
Unit size	HH size	HH factor	HH income	max gross monthly rent	utility allowance	max net monthly rent	Number of units
studio	1	0.70	-	0	-40	-40	
1 BR	1.5	0.75	-	0	-41	-41	
2 BR	3	0.90	-	0	-42	-42	
3 BR	4.5	1.04	-	0	-55	-55	
57% HUD IL		49,191					
Unit size	HH size	HH factor	HH income	max gross monthly rent	rent less electricity	max net monthly rent	Number of units
studio	1	0.70	34,434	862	-40	822	
1 BR	1.5	0.75	36,893	923	-41	882	
2 BR	3	0.90	44,272	1,107	-42	1,065	
3 BR	4.5	1.04	51,159	1,279	-55	1,224	
100% HUD IL		86,300					
Unit size	HH size	HH factor	HH income	max gross monthly rent	rent less electricity	max net monthly rent	Number of units
studio	1	0.60	51,780	1,295	-40	1,255	
1 BR	1.5	0.75	64,725	1,620	-41	1,579	
2 BR	3	0.90	77,670	1,942	-42	1,900	
3 BR	4.5	1.04	89,752	2,245	-55	2,190	
HUD IL		0					
Unit size	HH size	HH factor	HH income	max gross monthly rent	rent less electricity	max net monthly rent	Number of units
studio	1	0.60	-	0	-40	-40	
1 BR	1.5	0.75	-	0	-41	-41	
2 BR	3	0.90	-	0	-42	-42	
3 BR	4.5	1.04	-	0	-55	-55	
Market Rate							
Unit size					Monthly Rent	Number of units	Annual Rent
studio							-
1 BR							-
2 BR							-
3 BR							-
Total units						0	
Total Annual Rental Income upon occupancy							-
TOTAL ANNUAL PROJECT INCOME							-

NextGeneration NYCHA RFP

Site:

Units: 0

MAINTENANCE & OPERATING EXPENSES

0	Units
0	Rooms

Expenses		per rm/du	
Supplies/Cleaning/Exterminating	\$ -		per room
Heating (oil)	\$ -		per room
Gas & Electricity	\$ -		per room
Cooking Gas	\$ -		unit
Repairs/Replacement	\$ -		per unit
Legal	\$ -		per unit
Accounting	\$ -		per project
Painting	\$ -		per room
Superintendent & Maintenance Staff Salaries	\$0	#DIV/0!	per unit
Number of:			
F/T super(s)	<input type="text"/>	\$0	annual + fringe
porters	<input type="text"/>	\$0	annual + fringe
Elevator Maintenance & Repairs	<input type="text"/>	\$ -	per elevator
Management Fee	\$ -		of ERI
Water & Sewer	\$ -		per room
Fire and Liability Insurance	\$ -		per unit
Other Expenses(Specify:_____)	\$ -		per unit
Other Expenses(Specify:_____)	\$ -		per unit
Replacement Reserve	\$ -		per unit
M & O Before Taxes and Debt Service	\$ -		Total
		#DIV/0!	per room
		#DIV/0!	per unit
Real estate taxes	<input type="text"/>		
TOTAL ANNUAL PROJECT EXPENSES		\$0	
		#DIV/0!	per unit
		#DIV/0!	per room

Site:

Units: 0

MORTGAGE SIZING

Income			
Residential Income			\$0
Less Residential Vacancies	<input type="text"/>		\$0
<i>Net Residential Income</i>			\$0
Parking Income			\$0
Commercial Income			\$0
Community Space Income			\$0
Ancillary/Laundry			\$0
Less Parking Vacancies	<input type="text"/>		\$0
Less Commercial Vac	<input type="text"/>		\$0
Less Community Space Income	<input type="text"/>		\$0
Less Ancillary/Laundry Vac	<input type="text"/>		\$0
<i>Net Comm & Ancillary Income</i>			\$0
Net Income			\$0
Expenses			
Maintenance/Operating	#DIV/0!	per unit	\$0
Real estate taxes	#DIV/0!	per unit	\$0
Replacement Reserve	#DIV/0!	per unit	\$0
Total Expenses	#DIV/0!	per unit	\$0
NET OPERATING INCOME			
			\$0
Net Available @ 1.05 Income to Expense			\$0
Combined DSCR			
Net Available for Debt Service @	<input type="text"/>		#DIV/0!
Income to Expense			#DIV/0!
1st Mort DSCR			
Net Available for Debt Service @	<input type="text"/>		#DIV/0!
Income to Expense			#DIV/0!

Determination of Maximum Insurable Mortgage based on net available for debt service and land taxes

Variable Interest Rates		Fixed Interest Rates	
Base Rate	<input type="text"/>	Base Underwriting Rate	TAX EXEMPT
Underwriting Cushion	<input type="text"/>	Servicing Fee	<input type="text"/>
LC Fees	<input type="text"/>	MIP	<input type="text"/>
Trustee	<input type="text"/>	Sum of above rates	0.00%
Remarketing	<input type="text"/>		
Servicing	0.00%		

Total Supportable First Mortgage	<input type="text"/>	Enter 1st Mortgage Amount from Cell H30 here
Second Mortgage	\$ -	
Third Mortgage	\$ -	
Fourth Mortgage	\$ -	
Total Combined Debt	\$ -	

	1st Loan Reduction	2nd Loan Constant	3rd Loan Constant	4th Loan Constant	Total
1st Loan	<input type="text"/>				
2nd Loan		\$ -			
3rd Loan			\$0		
4th Loan				\$0	
Rate	#DIV/0!	0.00%			#DIV/0!
Term	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Yrs 1 - 30 Amt Amortized	#DIV/0!	\$0	\$0	\$0	
Balance		\$0	\$0	\$0	
Balloon %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Debt Service	#DIV/0!	-	-	-	#DIV/0!
Debt Coverage	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Assumed Subsidies

2nd Loan	Source:	<input type="text"/>	/du
3rd Loan	Source:	<input type="text"/>	/du
4th Loan	Source:	<input type="text"/>	

NextGeneration NYCHA RFP
 Site:

Units: -

TAX CREDIT ANALYSIS*

*This is an estimate; for actual raise and calculation, defer to LIHTC Investor

	Eligible Cost (Y/N)	Total Cost	Eligible Amount
Acquisition Cost	N	-	
Construction Cost			
Contractor Price			
Residential	Y	-	
Commercial Space	N	-	
Community Space	Y	-	
Parking	N	-	
Contingency	Y	-	
Total Hard Cost		-	-
Soft Cost			
Borrower's Legal	Y	-	
Borrower's Engineer/Architect Fees	Y	-	
Accounting & Cost Certification	Y	-	
Housing/Development Consultant	Y	-	
Bank's Engineer	Y	-	
Bank Legal	Y	-	
Permits and expediting	Y	-	
Environmental Phase I & II	Y	-	
CEQR	Y	-	
Borings	Y	-	
Survey	Y	-	
Geotechnical	Y	-	
Title Insurance	Y	-	
Appraisal	N	-	
Subtotal		-	-
Financing Fees (Please maintain links to original calculations and note any changes)			
Upfront L/C Fee	Y	#DIV/0!	
Annual L/C Fee	Y	#DIV/0!	
HDC Fee (if applicable)	N	#DIV/0!	
Costs of Issuance	N	#DIV/0!	
HPD Fee (if applicable)	N	-	
Interest Rate Cap (estimate)	N	-	
Tax Exemption/Abatement Fees & Consultant	Y	-	
LIHTC Application Fee	N	-	
Non Profit Sponsor	Y	-	
Subtotal		#DIV/0!	-
Carrying Costs			
Construction Interest	Y	#DIV/0!	
Negative Arbitrage	N	#DIV/0!	
Mortgage Recording Tax	N	-	
Water/Sewer & Real Estate Taxes	Y	-	
Utilities	Y	-	
Insurance	Y	-	
Construction Monitor	Y	-	
Marketing	N	-	
Security	Y	-	
Subtotal		#DIV/0!	-
Reserves and Contingency			
Social Service Reserve	N	-	
Capitalized Operating Reserve	N	-	
Additional Operating Reserve (if applicable)	N	-	
Soft Cost Contingency	Y	-	
Subtotal		-	-
Total Soft Costs		#DIV/0!	-
Developer's Fee	Y	-	
Total Development Cost:		#DIV/0!	-

Number of TC Units	
% TC Units	#DIV/0!
% Non Residential Costs	#DIV/0!
Applicable Fraction	#DIV/0!
Construction Bonds	#DIV/0!

Eligible Basis		-
Eligible Basis per TC Unit		#DIV/0!
Eligible Basis with Boost		-
Annual Credit @		-
Amount Raised per Credit @		-
Amount Raised Total		-

**NextGeneration NYCHA RFP
Site:**

Units: 0

TRADE ITEM	\$ AMOUNT
1 Demolition	_____
2 Environmental Remediation	_____
3 Railroad trench deck (Site B only)	_____
4 Landscaping / Site Work	_____
5 Concrete	_____
6a Masonry, pointing, waterproofing, steam cleaning	_____
6b Carpentry, rough	_____
7 Carpentry, finished	_____
8 Metals, structural steel	_____
9 Roofing	_____
10 Insulation	_____
11 Doors, frames, hardware	_____
12 Windows and glazing	_____
13 Entrance doors	_____
14 Drywall and plastering	_____
15 Ceramic tile	_____
16 Finish flooring	_____
17a Painting	_____
17b Kitchen cabinets	_____
18 Appliances, medicine cabinet	_____
19 Heating and ventilation	_____
20 Plumbing	_____
21 Electrical	_____
22 Other:_____	_____
23 Other:_____	_____
24 Other:_____	_____
25 SUBTOTAL	\$0
26 General Conditions	_____
27 Overhead	_____
28 Profit	_____
29 GRAND TOTAL	\$0

NextGeneration NYCHA RFP

Site:

Please provide the information below for the entire project, including all separately financed rental and ho

***Please do not alter worksheet placement/order of cells

<u>Pro Forma Assumptions</u>	<u>Component 1</u> (Specify)	<u>Component 2</u> (Specify)
Source Additional Info		
Total Conventional Debt		
Total Volume Cap Bonds		
Total Recycled Bonds		
Total Taxable Bonds		
% of Developer Fee Deferred during Construction		
Total HPD Subsidy Per Unit		
Total HDC Subsidy Per Unit		
Total Other Source Subsidy Per Unit		
Costs		
Total Residential Hard Costs PSF		
Total Commercial Hard Costs PSF		
Total Community Hard Costs PSF		
Total Parking Hard Costs PSF		
Total Other Hard Costs PSF		
Total Hard Costs w/Contingency PSF		
LOC Upfront Fee % (if any)		
LOC Ongoing Fee % (if any)		
Soft Costs as a % of TDC		
Developer Fee as a % of TDC		
Units & Income		
% of Units with 2 or more bedrooms		
% of Units with rents set at or below 30% AMI		
% of Units with rents set at 31-40% AMI		
% of Units with rents set at 41-50% AMI		
% of Units with rents set at 51-60% AMI		
% of Units with rents set at 61-70% AMI		
% of Units with rents set at 71-80% AMI		
% of Units with rents set at 81-90% AMI		
% of Units with rents set at 81-90% AMI		
% of Units with rents set at 91% of AMI or above		
% of Units with homeless set-aside		
% of affordable Units		
% of Units with market rents		
Total Rental Units (non inc. Super Units)		
# of Super Units		
Non-Residential Income as % of Total		

Commercial Income PSF
Parking Income Per Legal Space
Community Income PSF

Operating Assumptions

Total M&O Per Unit
Total Taxes Per Unit
Tax Abatement Type
Cash Flow Income Inflator %
Cash Flow Expense Inflator %

Other Assumptions

Total Construction Period (months)
LIHTC Raise (e.g.- \$0.00)
Assumed LIHTC Rate
Total Permanent Period (years)
Senior Loan Construction Interest Rate %
Senior Loan Permanent All-in Interest Rate %
Assumed Construction Enhancement Type (text)
Assumed Permanent Enhancement Type (text)

Please feel free to list any other critical assumptions not included below:

Units: 0

meownership components.

Component 3

(Specify)

All

Components

NextGeneration NYCHA RFP

Units: 0

Site:

These calculations must match the architectural plans included in the proposal.

TOTAL BUILT FLOOR AREA (Gross Square Feet):

Total building stories	_____
Total Parking Spaces	_____
Parking Type (i.e.- surface, covered, garage)	_____
1. Residential Space	_____ 0
2. Unfinished Basement	_____
3. Cellar	_____
4. Attics	_____
5. Mechanical / Utility Areas	_____
6. Garages	_____
7. Commercial Space	_____ 0
8. Community Space	_____ 0
9. Parking	_____
10. Other _____	_____
11. Subtotal Gross Square Feet	_____ 0

Site:

Please provide the information below for the entire project, including all separately financed rental and homeownership components.

	<u>Component 1</u> (Specify)	<u>Component 2</u> (Specify)	<u>Component 3</u> (Specify)	<u>All</u> <u>Components</u>
<u>TOTAL DEVELOPMENT COST</u>				
Acquisition				\$0
Hard Costs				\$0
Soft Costs				\$0
Developers Fee				\$0
TOTAL DEVELOPMENT COST	\$0	\$0	\$0	\$0

Construction Sources of Financing

Equity	Lender / Source			
Cash Equity				\$0
Other Source				\$0
Other Source				\$0
Other Source				\$0
Other Source				\$0
Total Equity	\$0	\$0	\$0	\$0

Loans / Grants	Lender / Source			
Loan				\$0
Other Loan / Grant				\$0
Other Loan / Grant				\$0
Other Source				\$0
Other Source				\$0
Total Loans / Grants	\$0	\$0	\$0	\$0

Total Construction Sources	\$0	\$0	\$0	\$0
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Permanent Sources of Financing

Sales Proceeds				\$0
Equity	Lender / Source			
Cash Equity				\$0
Other Source				\$0
Other Source				\$0
Other Source				\$0
Other Source				\$0
Total Equity	\$0	\$0	\$0	\$0

Loans / Grants	Lender / Source			
Bank 1 st Mortgage				\$0
2 nd Mortgage				\$0
Other Loan / Grant				\$0
Other Source				\$0
Other Source				\$0
Total Loans / Grants	\$0	\$0	\$0	\$0

Total Permanent Sources	\$0	\$0	\$0	\$0
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Total Residential Units				0
Gross Square Footage				0