Nevins and Third RFP Addendum 1

RFP Issue Date: April 15, 2024 Pre-submission Conference Date: May 15, 2024

Addendum 1 Issue Date: June 5, 2024

All future questions about the Nevins and Third RFP must be submitted by email to NevinsandThirdRFP@hpd.nyc.gov by Friday, June 21, 2024. Submission instructions will be included in a future RFP addendum.

Contents of this Addendum:

- A. **Questions and Answers** Enclosed are questions and answers that were asked at the presubmission conference on May 15, 2024, as well as questions sent to the RFP email address through May 30, 2024.
- B. **Contact Information** Contact information is provided for those individuals who registered to download the RFP through May 28, 2024, and/or RSVPed for the pre-submission conference, and indicated their willingness to share their contact information.
- C. **Updated Appendix D (Financial Assumptions)** This appendix has been updated to include 2024 AMIs and Maintenance & Operating Standards.
- D. Updated Form G (Rental Financing Proposal) This form has been updated to include 2024 AMIs and Maintenance & Operating Standards. The updated form can be downloaded on the project website.

A. Questions and Answers

General

1. Is all the text from the Pre-Submission Conference in the RFP? Or will it be available after the Pre-Submission Conference?

The slides are posted on the Nevins and Third RFP website and can be found here.

- 2. Should Respondents expect that start of construction be closer to 24 or 48 months?

 Per the RFP, the Developer should expect that construction will likely start after the date specified in its Development Schedule, which must be at least 24-48 months from HPD's issuance of a Negotiation Letter to the Developer. The start of construction will partly depend on the extent and timeline of public approvals for the Project(s). Current pipeline and capacity constraints have necessitated longer review periods and closing timelines recently.
- 3. Does this RFP include the need for project management, IT, governance, compliance, risk? Basically project management and technology needs?

 Teams should reference V. SUBMISSION REQUIREMENTS AND COMPETITIVE PREFERENCES (page 22 of the RFP) for information about RFP requirements.
- 4. How long after the submission deadline does HPD anticipate designating a Developer? HPD will aim to designate a developer approximately nine months after Submissions are due. However, current pipeline and capacity constraints have necessitated longer review periods recently, and HPD will share any updates to the timeline as review progresses.

Finance and Program

5. What is the maximum AMI for the units?

Respondents should refer to the applicable HPD term sheet(s) for the AMI requirements for units. However, the Nevins Site has more restrictive requirements than the applicable Neighborhood Construction Program (NCP) term sheet and Respondents should adhere to Section III. PROJECT OVERVIEW of the RFP document – the Nevins Site Project Snapshot (page 9).

6. If there is a preference for extremely low and very low incomes, why not use the Extremely Low & Low-Income Affordability (ELLA) Program?

Given the size of the Nevins Avenue Site and anticipated approximate unit count, the Neighborhood Construction Program (NCP) is a better fit for a project of this size and can offer comparable affordability levels to the ELLA Program.

- 7. Would it be safe to assume that the Neighborhood Construction Program (NCP) for the Nevins Avenue Site would go over the term sheet's provided per unit subsidy amount?
 HPD acknowledges that Projects may need subsidy over term sheet limits in the current cost environment. Applicants should show the additional subsidy amount needed in underwriting models and financial assumptions.
- 8. For the Nevins Site, the RFP references exceeding a minimum requirement for formerly homeless households. What is that minimum requirement?

The minimum requirement is 15% of units set aside for formerly homeless households. Per the Nevins Site Project Snapshot (page 9 of the RFP), "Homeless set-aside units may be up to 30% of the Project."

9. If we are underwriting per the SARA Program, should we assume project-based Section 8 vouchers in our underwriting with respect to the Third Avenue Site?

Typically, SARA projects have 100% project-based vouchers, so it is reasonable for Respondents to assume the same for this Project. However, please do not overlap rental assistance.

10. Are there any fund resources and tax credits provided by HPD?

HPD asks Respondents to review the term sheets for the respective programs for each Site. Respondents will see in each term sheet that HPD does provide subsidy sources. For tax credits, it is up to the Respondent to decide on any tax credits they wish to propose.

11. For construction pricing should we consider the spring and then 18 months?

HPD asks Respondents to submit a construction schedule and that schedule should commence from the anticipated time of ULURP approvals, but in any event, no earlier than 24-48 months from date of the Negotiation Letter. Respondents should estimate construction costs at current pricing. HPD will work with the designated Development Team to continue updating and refining all aspects of the project underwriting (including construction costs, rents, M&O expenses, etc) leading up to closing.

12. If we are projecting construction starting so far out, should we also project our rents and expenses?

In general, HPD expects that Respondents submit Proposals using current year rents and expenses from 2024. The designated Development Team will work with HPD to refine those as the Project moves forward.

13. The provided Form G Rental Financing Proposal is set up for a 4% bond deal with line items for LC fees, bond issuance costs, etc. For financing proposals using 9% credits, not bond financing, is there another HPD budget form that should be used, or should we edit and adjust lines in the provided Form G and note changes?

We do not have a separate HPD budget template for a 9% LIHTC transaction, but you are welcome to modify Form G as needed, such as deleting, renaming, or skipping lines related to bond financing.

Planning and Design

14. Can modular construction be considered to comply with the RFP?

Yes, Respondents may propose modular construction. Respondents should clarify unusual or uncommon design approaches in their Proposals and explain the benefits to the Project.

15. What range of unit types and allocation are the target unit counts based on?

Respondents should refer to the SARA and NCP term sheets and HPD's Design Guidelines for New Construction for more information about standard unit types, sizes, and allocation.

Environmental

16. Are there any environmental reports available?

There are not any reports completed at this time. The Development Team will be responsible for preparing and submitting all required material for the City Environmental Quality Review (CEQR) Process and any other required environmental approvals associated with the Project(s). Respondents should consult with their environmental consultant as to what materials will be necessary.

17. Can HPD share current or prior surveys of the two Sites, or at least existing NAVD elevations at the site perimeters for flood and other determinations?

HPD does not have surveys or elevations to share for these two Sites. After designation, the chosen Development Team(s) will be responsible for surveying the Site(s) in order to move the design beyond conceptual drawings. For information relevant to flood risk and climate resiliency, please reference the Neighborhood Climate Risk section of the RFP (page 16), the Resiliency competitive criteria (page 28), and Form L (including the NYC Stormwater Flood Maps).

Zoning and Public Approvals

18. Can you advise what the FAR and height limitations are for both the 3rd Avenue and Nevins Street Sites? Will the maximum FAR and height limits be increased as an allowance for an affordable housing build? If the Project(s) are going through full ULURP, is there an opportunity for increased density?

Please refer to Section III. PROJECT OVERVIEW of the RFP— the Nevins Site Project Snapshot (page 9) and the Third Avenue Site Project Snapshot (page 11) — for information about zoning districts, FAR, height limits, and how to apply the Universal Affordability Preference (UAP) from the City of Yes for Housing Opportunity proposal to these buildings. At this time, HPD is not considering a rezoning as the Sites were recently rezoned.

19. Is HPD asking Respondents to assume all zoning stipulations of the UAP, or just the FAR and height specified in the RFP document? I.E.: The proposed City of Yes for Housing Opportunity does impose additional AMI requirements.

Respondents should adhere to the FAR and height requirements specified in the RFP. For this RFP, with regard to AMI requirements, teams should assume that a Submission that is compliant with the required term sheet and Project Snapshot for each Site is acceptable for UAP.

20. Will there be a deadline/cutoff for changes to UAP bonus direction prior to deadline so that Respondents can finalize submission materials?

Respondents should follow the UAP guidelines as provided in Section III. PROJECT OVERVIEW of the RFP— the Nevins Site Project Snapshot (page 9) and the Third Avenue Site Project Snapshot (page 11). The City of Yes for Housing Opportunity proposal will not be finalized until after Submissions are due.

21. Is the Universal Affordability Preference (UAP) term sheet in the RFP document?

There is not a UAP term sheet. Teams should follow the UAP guidelines as provided in Section III. PROJECT OVERVIEW of the RFP document – the Nevins Site Project Snapshot (page 9) and the Third Avenue Site Project Snapshot (page 11). The SARA and NCP term sheets can be found on the HPD website. Additional details of the UAP proposal can be found on the DCP website.

22. If the Sites are designated to separate Development Teams, would the ULURP approvals also be separate, or would they go through the process together?

It is currently anticipated that each Project would go through ULURP and public approvals separately.

23. Will HPD be the sponsor for each Project's ULURP application?

HPD will be the lead applicant and work in close partnership with the Development Team(s) through ULURP.

24. On the Nevins Site, why is commercial space not allowed for ground floor use? Given the burgeoning revitalization of Nevins Street it would seem coherent for the street to include a neighborhood serving retail use to complement the small shops at the Nevins and Bergen street intersection.

The Nevins Site is in an R7A zoning district, which is a medium-density residential district that does not permit any commercial uses in the building. The ground floor may include a community facility use or be fully residential. Since the Site was recently rezoned from a manufacturing district to the current residential district in 2022, another rezoning is not being considered at this time.

B. Contact Information for Interested Organizations

Organization Name	Name	Email	May We Share Your Contact Info?	
ABOVE THE FOLD	John Patrick	jp@abovethe-fold.com	Yes	
ACJ International Realty LLC	Julie Huang	juliehuang2010@gmail.com	Yes	
Advance environmental LLC	Jerry Joseph	oneteamzz24@gmail.com	Yes	
AKAIA Architecture	Alan Lee	alan.lee@akaia.design	Yes	
Albanese Organization	Ellen Kackmann	ekackmann@albaneseorg.com	Yes	
Alexander Gorlin Architects, LLC	Justine Buchanan	justine@gorlinarchitects.com	Yes	
Almat Urban LLC	Donald Matheson	dm@audevco.com	Yes	
Almat Urban LLC	Dhesh Padiachey	Dp@audevco.com	Yes	
Ametrine Group	Rachel Goodfriend	Rachel.Goodfriend@alconsulting.us	Yes	
Apex Building Company	Daniel Marks Cohen	Daniel Marks Cohen dcohen@apexbuilds.com		
Apex Building Group, Inc.	Ernesto Vigoreaux	ernesto@apexbuilds.com	Yes	
Architecture in Formation	Paulo Flores	paulo@aifny.com	Yes	
Arketekcher Architecture DPC	Madeline Clappin	Madeline Clappin madeline@arketekcher.com		
Assembly OSM	Andrew Staniforth	Andrew Staniforth astaniforth@assemblyosm.com		
B&V Contracting Enterprises, Inc.	Neel Patel npatel@bandvcontracting.com		Yes	
Bernheimer Architecture	ANDREW BERNHEIMER	ANDREW BERNHEIMER andy@bernheimerarchitecture.com		
Beyer Blinder Belle	Jesse Floyd	jfloyd@bbbarch.com	Yes	
Beyer Blinder Belle Architects	Cassie Walker	cwalker@bbbarch.com	Yes	
Beyer Blinder Belle	John Delaney	jdelaney@bbbarch.com	Yes	
Bostic Construction Management	Hollis Bostic	hbostic@bosticis.com	Yes	
BP Architecture, PC	Fernando Papale	info@bparchitecture.com	Yes	
Bright Power	Patrick Slutter	pslutter@brightpower.com	Yes	
Brisa Builders Development LLC	Nathaniel Montgomery	nathanielmontgomery@brisabuilders.com	Yes	
BROAD U.S.A. Inc	Jeremy Zimman	jeremyzimman@broadusa.com	Yes	
BROAD U.S.A. Inc	Sunny Wang	sunnywang@broadusa.com	Yes	

Broad USA	Steve Milia	steve@broadusa.com	Yes
BROAD USA	Erin Ying	Erin Ying eriny@broadusa.com	
Broadway Construction Group	Lauren Mulrooney	Lauren Mulrooney Imulrooney@broadwaycg.com	
Brooklyn Community Housing & Services, Inc.	Jeff Nemetsky	Jeff Nemetsky Jeffn@bchands.org	
Building Studio Architects	John Field	jfield@buildingstudio.com	Yes
building studio llp	michael goldblum	mgoldblum@buildingstudio.com	Yes
Cain Properties LLC	Robert Cain	rcain@csdhousing.com	Yes
Catholic Charities POP Development	David Downs	david.downs@ccbq.org	Yes
Catholic Charities Progress of Peoples Development Corporation	Jennifer Swift	jennifer.swift@ccbq.org	Yes
CCBQ- Progress of Peoples Development Corp.	Jacob Gottfried	jake.gottfried@ccbq.org	Yes
Charney Companies	Brandon Tajfel	brandon@charneycompanies.com	Yes
Construction Information Systems	Debra Sauerman	debras@cisleads.com	Yes
CSD Housing	Keri Curtis	kcurtis@csdhousing.com	Yes
Dantes Partners	Michael Nyamekye	michael@dantespartners.com	Yes
david cunningham architecture planning pllc	david cunningham	david@dcapny.com	Yes
Duvernay + Brooks LLC	Gale Kaufman	gkaufman@duvernaybrooks.com	Yes
Edelman Sultan Knox Wood / Architects	Andrew Knox	aknox@edelmansultan.com	Yes
ESKW/Architects	Business	bd@eskwarchitects.com	Yes
ESKW/Architects	Andrew Knox	aknox@eskwarchitects.com	Yes
Fancy Fixtures Inc.	Tom Peer	tom@fancyfixtures.biz	Yes
FAST + Epp	Jason Glenn	jglenn@fastepp.com	Yes
Fischer + Makooi Architect PLLC	Fariba Makooi	fariba@fmarchitect.com	Yes
Fish Plate Development LLC	Maggie Poxon	maggie@fishplatedevelopment.com	Yes
Fish Plate Development LLC	Mark Zimet	mark@fishplatedevelopment.com	Yes
Fogarty Finger	Martin Tolentino	martin.tolentino@fogartyfinger.com	Yes
Fulcra Development LLC	Standish Lee	slee@fulcra.org	Yes
Future Expansion Architects, LLP	Deirdre McDermott	dmmcdermott@future-expansion.com	Yes
Ginigog	Brian A Warner	brian.warner@ginigog.com	Yes
HANAC	Richard Rosd	rross@hanac.org	Yes

Henge Development LLC	Ayanna Oliver-Taylor	ayanna@hengedevelopment.com	Yes
Hill West Architects	Michael Stevick	Michael Stevick mstevick@hillwest.com	
Hill West Architects	Danielle Zarnick	Danielle Zarnick dzarnick@hillwest.com	
HLW International LLP	Sarah Batchelor	sbatchelor@hlw.com	Yes
Hudson Companies Inc.	Sarah Pizer	spizer@hudsoninc.com	Yes
IMC ARCHITECTURE	DOMINICK CASALE	DCASALE@IMCARCH.COM	Yes
IMEG Consultants Corp.	Jeffrey Jones	jeffrey.a.jones@imegcorp.com	Yes
IMPACCT Brooklyn	Richard Brown	richard_brown@impacctbk.org	Yes
INFINITE HORIZONS LLC	michael reed	nycsubsidyhomes@gmail.com	Yes
Institute for Community Living	Greg White	gregory.white@iclinc.net	Yes
Interface Engineering	Patricia Jordan	pjordan@interfacenyc.com	Yes
ITM CONSTRUCTION	Mo Khan	Mokhanrz@gmail.com	Yes
John DeFazio AIA Architecture & Planning	John DeFazio	defazio@mindspring.com	Yes
K&R Preservation, LLC	Samuel Richman	samrichman@KRPreservation.com	Yes
Kalel Companies	Amy Stokes	amy@kalelcompanies.com	Yes
Keith Burns Archiect PLLC	Keith Burns	keith@keithburns.info	Yes
KPFF Consulting Engineers	Shadi Boulos	shadi.boulos@kpff.com	Yes
LANGAN	Atena Vladu	avladu@langan.com	Yes
Lantern Organization	Dan Bianco	dbianco@lanternhousing.org	Yes
LDRSHIP Developing	Cristian Holder	CRISTIANHOLDER24@GMAIL.COM	Yes
Lemle & Wolff	Paola Duran	pduran@lemlewolff.com	Yes
Loci Architecture	David Briggs	dbriggs@lociarchitecture.com	Yes
Magnusson Architecture and Planning	Joseph Moyer	jmoyer@maparchitects.com	Yes
MAP architects	Fernando villa	Fvilla@maparchitects.com	Yes
MAP	Emily Sperber	esperber@maparchitects.com	Yes
Milestone	Aaron Koffman	akoffman@milestonecos.com	Yes
MODU	Rachely Rotem	rachely@moduarchitecture.com	Yes
MURAL Real Estate Partners	Jessica Tan	jtan@muralrealestate.com	Yes
NA	Noelle Jackson	N98jackson@yahoo.com	Yes
nARCHITECTS	Cam My Nguyen	n@narchitects.com	Yes
MAP Architects	Christopher Jones	cjones@maparchitects.com	Yes

NYAH Advisors, LLC	Catherine Townsend	ctownsend@nyahadvisors.com	Yes
Penta Restoration Corp.	Paul Palagian paul.p@pentarestoration.com		Yes
Powerhouse Strategies	Erik Forman	Erik Forman erik.forman@gmail.com	
Private Organization	Jimmy Alloul	Jimalloul@yahoo.com	Yes
Purpose by Design Architects PLLC	Rachel Simpson	rsimpson@pxdarchitects.com	Yes
PWXPRESS	Mary Miller	bids@pwxpress.com	Yes
PXD Architects	Kamila Altman	kaltman@pxdarchitects.com	Yes
Red Hill Consulting LLC	Kirtan Stoute	kirtan.stoute@redhill.network	Yes
RKTB Architects, P.C.	Luanne Konopko	lkonopko@rktb.com	Yes
Rockabill	Katie Devine	Kdevine@rockabill.com	Yes
Rockabill Development and Consulting	Niall Murray	consulting@rockabill.com	Yes
Roux Associates	Frank Cherena	fcherena@rouxinc.com	Yes
Roux Incorporated	Robert Thuston	rthuston@rouxinc.com	Yes
SCCS Group LLC	Gael Lamothe	gael@sccsgroupllc.com	Yes
SCCS GROUP LLC	Ana Trude	Ana@sccsgroupllc.com	Yes
SCCS Group, LLC	Gael Lamothe	Gael Lamothe gael@sccsgroupllc.com	
Selfhelp Realty Group, Inc.	Lisa Trub	ltrub@selfhelp.net	Yes
SGA	Maren Reepmeyer	mreepmeyer@sga-arch.com	Yes
Shakespeare Gordon Studio	Teresa Lawlor	teresa@sg.studio	Yes
Shakespeare Gordon Studio	Amy Shakespeare amy@sg.studio		Yes
Shakespeare Gordon Studio	Mark Gordon	mark@sg.studio	Yes
Spatial Equity	Teg Sethi	teg@spatialequity.com	Yes
St. Nicks Alliance	Charlie Stewart	cstewart@stnicksalliance.org	Yes
St. Nicks Alliance	Brian Halusan	bhalusan@stnicksalliance.org	Yes
St. Nicks Alliance	Charlie Stewart cstewart@stnicksalliance.org		Yes
St. Nicks Alliance	Frank Lang	flang@stnicksalliance.org	Yes
Tankhouse	Josh Bransky	j.bransky@tankhouse.com	Yes
The Albanese Organization	Sophie Haas	shaas@albaneseorg.com	Yes
The Briarwood Organization	Ira Brown	ibrown@briarwoodorg.com	Yes
The NHP Foundation	Polina Bakhteiarov	pbakhteiarov@nhpfoundation.org	Yes

The NHP Foundation	Jay Cengiz	Jay Cengiz Jcengiz@nhpfoundation.org	
The NHP Foundation	Mecky Adnani	Mecky Adnani madnani@nhpfoundation.org	
The Partnership, Inc.	Hugh Jacobs	hjacobs@gotpi.org	Yes
Think! Architecture + Design	Charlotte Wensley	charlotte@think-arc.com	Yes
Titanium Realty Group	Patrick Yaffe	pyaffe@titaniumrg.com	Yes
Totem	Vivian Liao	vivian@totembrooklyn.com	Yes
TPI Management	Erol Ugljanin	eugljanin@gotpi.org	Yes
Turner Construction Company	Lisa Hickerson	Lisa Hickerson Ihickerson@tcco.com	
Type A Projects LLC	Jill Crawford	crawford@typeaprojects.com	Yes
Urban architectural Initiatives	Jorge Chang	Jorge Chang jchang@uai-ny.com	
Urban Architectural Initiatives	Alen Moghaddam	Alen Moghaddam amoghaddam@uai-ny.com	
WellLife Network	Karen Gorman	karen.gorman@welllifenetwork.org	Yes
Wise Aire	Kalif Jones	info@wiseairemech.com	Yes
Xenolith Partners LLC	Andrea Kretchmer	andrea@xenolithpartners.com	Yes
Yuco Real Estate	Raymond Yu	raymond.yu@yucoinc.com	Yes
Yuco	Catherine Yu	catherine.yu@yucoinc.com	Yes

C. Nevins and Third RFP Financial Assumptions (Appendix D - UPDATED)

TERM SHEETS

Proposed project financing should adhere to all HPD term sheet requirements as applicable.

NOTE:

Please refer to Land Use/Zoning under Project Snapshot in the RFP document for guidance on Universal Affordability Preference ("UAP") assumptions.

Nevins Site only: HPD will not accept Proposals featuring Affordable Independent Residences for Seniors ("AIRS") applied to the NCP building on the Nevins Street Site.

INTEREST RATES

Assume the following interest rates in the financing proposal. Deferred interest should be shown as both a use and a source in the Development Budget.

Construction Loan		
Private Lender	7.50%	
HPD Subsidy (rental)	0.25% paid +	
	4.10% deferred	
Reso A (rental)	0.25% paid +	
	1.00% deferred	

Permanent Loan			
Private Lender	6.25%		
HPD Subsidy	0% paid +		
(rental)	4.10% deferred		
Reso A (rental)	0% paid +		
	1.00% deferred		

LOW-INCOME HOUSING TAX CREDITS (LIHTC)

Recommended credit type If proposing Low-income Housing Tax Credits (LIHTC):

71 1 1 0	, ,
For a project (an individual financing closing)	9% LIHTC
with ≤ 105 units	If proposing HPD 9% LIHTC, annual credit amount
	recommended to be no more than \$23,000 per LIHTC unit
For a project (an individual financing closing)	4% LIHTC with bond financing
with > 105 units	

PROJECT-BASED VOUCHERS

If proposing Section 8 Project-based Vouchers (PBV), assume gross rents equal to 100% of 2024 Fair Market Rent. Utility allowances should be subtracted from gross rents.

ESSHI

If proposing ESSHI, the rental assistance should correspond to maximum 60% of AMI rents.

15/15

If proposing NYC 15/15, use the following payment standards. Utility allowances should be subtracted from these rents.

Studio	1 BR	2 BR	3 BR	4 BR
\$1,553	\$1,630	\$1,880	\$2,415	\$2,604

MAINTENANCE AND OPERATIONS (M&O): Submissions should use the latest versions of HDC M&O Standards:

- 2024 Maintenance and Operating Expense Standards
- Respondents may assume non-prevailing wages for building service workers for buildings containing less than 120 units. For buildings with 120 or more units, prevailing wages for building service workers are required.