



Green Housing Preservation Program (GHPP) Technical Assistance Services Frequently Asked Questions for Firms and Borrowers

Updated March 1st, 2016

Note: Technical Assistance Services apply specifically to borrowers of the Green Housing Preservation Program. Borrowers should get quotes from firms on the Technical Assistance Services once the scope of work is finalized.

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1. What is technical assistance (TA)? Why is this being required as part of this program?

The Green Housing Preservation Program (GHPP) lends to owners of small- and mid-size buildings who may have never received financing from HPD or a similar lending institution in the past and may not be knowledgeable about the pre-development and development process. Additionally, an objective of this program is to ensure energy improvements achieve projected savings.

Therefore, TA in this case means leveraging a firm's development and energy expertise to assist borrowers in navigating this process and ensuring that the borrower can smoothly complete the predevelopment, closing and construction process and that equipment is installed and operates properly. HPD expects firms to take an active role in assisting borrowers complete energy efficiency and mod rehab projects by developing strong relationships and providing guidance through the process.

2. What technical assistance (TA) services are firms expected to provide borrowers?

Firms are expected to provide borrowers with extensive technical assistance, as specified in the GPNA RFQ, including:

- *Development of the project scope of work and plans and specifications if applicable*, based on the existing physical conditions and energy efficiency and water conservation work identified in the Green Physical Needs Assessment and relying on HPD Standard Specifications.
- *Facilitation of the contractor bid process* by assisting the borrower with preparation of bid forms, scheduling and leading relevant on-site visits such as a bid walk through, and ensuring bid responses are received and delivered to HPD in a manner that is consistent with its contracting standards.
- *Owner's representation during construction*, specifically to ensure contractors install energy improvements according to specifications and coordinate construction timeline or other issues that arise.
- *Building Operator Training after construction completion* by providing applied and customized trainings to ensure building staff, supers, management and residents have the necessary tools for optimal building performance.
- *Producing a follow up report* one year after construction completion to evaluate building performance and recommend any necessary improvements.

3. Will borrowers be required to use the same firm for the technical assistance services and the GPNA?

Borrowers are required to use the same firm for the technical assistance services and GPNA if the fees quoted by the firm are reasonable and commensurate with the project's scope of work.

4. Are borrowers obligated to use all of the services firms provide? Can borrowers waive any of the services?

On a project-by-project basis, HPD will consider waiving certain components of the technical assistance requirement, as requested by the borrower. Scope development, on-site training and the one-year follow-up report may not be waived. Borrowers should contact their HPD project manager to determine whether they are eligible to waive certain components of the technical assistance requirement.

5. Are borrowers expected to cover the cost of the technical assistance services?

Depending on the scope of work, the Green Housing Preservation Program will provide financing for the following maximum amounts for technical assistance services for projects that contain:

- 20 units or below: up to \$35,000
- 21 units or greater: up to \$50,000

These costs are maximums and borrowers should discuss cost reasonableness directly with firms. HPD may limit reimbursement to amounts below the above costs if not commensurate with the project scope of work.

6. What should be included in the scope of work?

The scope of work should be developed according to HPD Specifications for Rehabilitation Projects, found [here](#). When developing the scope of work, please follow the HPD sample template provided on HPD's website: <http://www1.nyc.gov/assets/hpd/downloads/pdf/HPD-sample-scope-green.pdf>.

7. What is the firm's role in facilitating the contractor bid process?

Firms cannot assist borrowers in identifying general contractors. Firms will assist borrowers with the bid process by:

- Explaining what to look for in a general contractor, should this guidance be needed by borrower
- Putting together and sending out contractor bid packages to qualified contractors
- Coordinating and leading a contractor pre-bid walk-thru and notifying HPD of timing, 5 participating contractors are recommended
- Ensuring submission of at least 3 reasonable sealed bids from qualified contractors to HPD or private lender for cost reasonableness review

8. How does the bid process work? What documents does HPD need for its cost reasonableness review?

Outlined below is the process for bidding out the renovation work and the roles of the borrower, firm and HPD in this process. In cases where HPD is lending in participation with a financial institution, the primary lender will oversee the bidding process:

The Bid Package

1. The firm is required to put together the bid package on behalf of the borrower, which includes creating the following as per [HPD Specifications](#):
 - a. Scope of work
 - b. Bid form, which must include space for contractors to provide unit prices for each individual scope item at specified quantities
 - c. Schedule of work

HPD will provide the following standard components of the bid package:

- d. Instructions to Bidders
- e. Summary of Major Contract Terms
- f. Form of Contract, consisting of:
 - i. Standard Form of Agreement between Owner and Contractor-Stipulated sum (AIA Form A101, 1987)
 - ii. New York City Department of Housing Preservation and Development Rider for GHPP Projects
 - iii. General Conditions (AIA Form A201, 1987)
 - iv. HPD Dust and Debris Management Procedures (October 1996)
 - v. Schedule of Insurance Requirements
- g. HPD Specifications, which can be found on the NYC HPD website:
<http://www1.nyc.gov/site/hpd/developers/specifications-rehabilitation/master-guide-specifications-for-rehabilitation-projects.page>

Going Out to Bid

2. The borrower must send the bid to a minimum of 3 qualified contractors (HPD advises borrowers to send out the bid to 5 or 6 qualified contractors in order to receive 3 bids). The firm should assist the borrower in sending out the bid packages to the contractors of the borrower's choosing.
3. The firm must assist the borrower in coordinating and leading a pre-bid walk-through with all prospective bidders. Only one walk-through should be scheduled for each project. Failure of the bidder to attend this mandatory walk-through should be considered an automatic rejection of their bid proposal. HPD's engineering team will accompany all project walk-throughs and must be notified whenever a walk-through takes place.

Submission of Bids to HPD

4. A bid due date will be set and 3 final bids will be hand-delivered to HPD or as specified by lender. Late bids will not be opened or accepted. The firm should assist the borrower in collecting the sealed bids, which must include a completed bid form and schedule of work bid breakdown.
5. HPD or lender will review bids for completeness and cost reasonableness to recommend the accepted bid.

HPD Due Diligence: Sponsor Review and Equal Opportunity

6. The firm will assist the borrower in collecting the accepted bidder's Employee Identification Number (EIN), as well as the social security numbers of the President/CEO and its principals to submit to HPD for Sponsor Review.

7. The firm will assist the borrower in communicating with the accepted bidder the date of the Pre-award Equal Opportunity (EO) Conference and submission of EO forms (Contractor Affirmation Statement, Equal Employment Opportunity Statement, and the Construction Employment Report) for all contracts and architects/engineers to HPD.
NOTE: Both the contractor and the borrower must complete the Equal Employment Opportunity Statement and Construction Employment Report; only the borrower must complete the Contractor Affirmation Statement.

Construction Kick-Off Meeting

8. The firm will coordinate with the assigned HPD Project Manager a construction kick-off meeting to be held after the HPD loan closes and before the construction work commences. The firm must ensure that both the borrower and contractor attend the meeting.

9. Who completes the renovation work?

Prior to construction loan closing, the technical assistance firm will ensure that a contract has been executed between the borrower and general contractor.

The accepted general contractor (or multiple contractors, if relevant) will complete the work. Borrowers enter into a direct contract with this entity.

10. What will the owner's representative services include?

The firm borrowers select to complete the GPNA and provide technical assistance services will:

1. Represent the borrower in meetings with contractors
2. Monitor the installation of equipment during construction, which includes conducting visual inspections and performance testing as necessary
3. Ensure all DOB permits are filed for the project by the general contractor
4. Provide other oversight related to keeping the project on schedule.

HPD or the lender's engineers/inspectors will monitor construction to approve requisition payments based on the scope of work, plans and specifications and to release project funds.

11. Who coordinates the renovation work among the general contractor, sub-contractors and utility companies?

The firm selected to provide technical assistance services will develop and manage a project timeline and coordinate with the general contractor, sub-contractors (where relevant) and utility companies to ensure all phases of the construction process happen smoothly and according to plan.

12. What type of on-site training are firms expected to provide and to whom?

Firms will offer hands-on building operator training to building staff (superintendents and porters), building owners and residents specific to the systems installed as part of the project.

This will ensure all parties are familiar with all newly installed equipment and agreed upon strategies for the most efficient management of the building.

Trainings should follow or draw from existing industry training manuals and templates acceptable to HDC/HPD.

13. What is the purpose of the one year follow-up report? What should the report include?

The purpose of the one year follow-up report is to ensure building systems are operating efficiently and projected savings are being realized. It is an opportunity to identify which building systems are not performing as expected and to provide recommendations on ways to mitigate any issues.

Firms should identify any gaps in performance by analyzing benchmarking data (comparing pre- and post-construction energy/water consumption data) and inspecting the property to review the status of all improvements and maintenance performed since construction completion. Findings of the report should be discussed with the borrower, maintenance staff and HDC/HPD. HDC/HPD will provide report templates, but firms are welcome to use existing templates as long as they include all components in the HDC/HPD template provided.