Livonia Avenue Initiative Phase II RFP Addendum 2
RFP issue date: April 7, 2014
Addendum 2 issue date: June 26, 2014

Contents of the Addendum

Questions and Answers – Enclosed is a summary of questions and answers that were sent to the Livonia Phase II email address following the release of Addendum 1 on May 7, 2014.

Financing

Q1. Is the price for the land $1 per lot or is there a price that the developer has to determine as an acquisition price for the lots in this RFP for development?

A1: The Sites are expected to be conveyed to the selected Developer for a nominal price of $1.00 per tax lot; however, as indicated in the RFP, Proposals providing a range of affordability *with the least subsidy* will be rated favorably.

Q2. Page 16 of the RFP states "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 HPD, other lenders, and/or investors". If the developer is proposing that the project be partially financed by LIHTCs, does the syndicated equity count as equity or are you looking for the developer to make a cash contribution to the project?

A2: HPD recognizes LIHTC equity as developer equity in tax credit deals; however, if the developer provides additional cash equity, it will be evaluated as a competitive factor.

Q3. If 4% tax credit financing is proposed, what percentage of the developer's fee should we consider as deferred?

A3. All of the developer fee must be deferred during the construction period. The amount that is deferred as opposed to paid out at conversion will be evaluated as a competitive factor.

Q4: We are proposing using the New Market Tax Credit program and are pursuing a financing letter of interest from a CDE interested in financing a portion of the Livonia RFP project. Please confirm that this source of financing would be considered as-of-right and non-competitive.

A4: You may submit a proposal that includes NMTC equity investments as a non-competitive financing source, if you include a letter of interest (LOI) from the CDE. HPD may, however, request additional information at a future date.

Q5: The financing structure we are planning to propose involves separate financing for the commercial (NMTC) and the residential. Will HPD want to see two separate Pro Formas for these two separate financing plans?

A5: Proposals that include separate financing for the commercial and residential spaces must provide separate *Pro Formas* for the different financing plans.

Zoning/Land Use Approvals

Q6: Section 25-25 of the Zoning Resolution for reduced parking states (underline added for emphasis):
"(c) all #dwelling units# in low rent public housing developments owned by or constructed for the New York City Housing Authority or other public authority and receiving cash subsidies, or #dwelling units# in new housing developments approved by the City Planning Commission that are reserved for low-income tenants for a period of not less than 40 years at rentals equivalent to rentals in low rent public housing developments receiving cash subsidies;"

For Livonia II does the rezoning and ULURP action mean that the project has been approved by the Department of City planning and these reduced parking rates can be used?

A6: The agency has pursued further clarification of this issue, but we do not have a definitive answer at this time. As you may know, the difference in parking requirements for the "low income tenants" category as opposed to "government assisted housing" category is only relevant for buildings with greater than 60 units, since even the latter category would meet the criterion to have parking requirements waived for buildings with fewer than 60 units. As indicated in Addendum 1, if you choose to submit a proposal that assumes low income housing and in the event your application is selected by HPD, the agency would support a request for a pre-

consideration from the Department of Buildings. If we obtain additional information, we will follow up accordingly.

Q7: Appendix G: Livonia Avenue Design Guidelines & HPD Design Guidelines for New Construction under Building Massing states that the base height of buildings not to exceed 55 feet. Does this statement prohibit dormers along Livonia Avenue and interesting streets?

A7: Dormers which comply with the regulations detailed in ZR 23-621 (c): http://www.nyc.gov/html/dcp/pdf/zone/art02c03.pdf would be allowed above the maximum base height indicated in the Guidelines.

Other Questions

Q8: I was wondering if you would be able to provide us a list of the attendees for the Livonia Phase II session which was held on April 24.

A8: The list of individuals who attended the Pre-Submission Conference and indicated they were willing to share their contact information is available in Addendum 1 on the HPD website: http://www.nyc.gov/html/hpd/html/developers/Livonia-Ave-Initiative-Phase2.shtml

Q9: "We are planning on pursuing LEED for Homes silver or better for this project and obtaining the associated Enterprise Green Communities waiver from HPD. With that in mind, should we include a completed LEED for Homes checklist instead of an Enterprise Green Communities checklist as part of our response?"

A9: The Enterprise Green Communities HPD Overlay is a required component of the submission and must be included with your proposal.