

Local Law 44/Transparency Law Compliance Instructions for HPD Development Partners

Local Law 44 (“LL44”, aka The Transparency Law) requires HPD to make public specific information about housing development projects, which includes your project. Per the HPD commitment letter, “Borrower shall provide HPD with the Required Information for the Project in the form to be provided by HPD and submit it to HPD on the date of closing and again with new and updated Required Information on every January 30 and July 30 thereafter (commencing on whichever date is the first to occur after closing) until permanent loan closing.”

Prior to closing Developer will receive an excel workbook via email from a HPD Project Manager.

The first part of this document (pages 1-3) includes an overview of the information required in the workbook and the second part (pages 4-20) provide more detailed instructions using an example project. For additional guidance please contact your HPD Project Manager.

Please note that some of the fields in the workbook are grey or green.

- Grey fields are locked using internal HPD data. If you need to make corrections/edits to any data in the grey fields, please contact your Project Manager about a new workbook.
- Green fields are not locked and are used to help highlight the data required for LL44 reporting. You’ll notice on the developer, General Contractor and sub contractor tabs that some fields turn green based on the input of particular fields – this is meant to help highlight the fields we need completed.

The workbook will be identified by HPD project name and will include the following tabs;

1) Building Detail Information to be completed includes;

- a. Stories per building
- b. Square footage at base of each building
- c. Commercial square footage (gross) of each building
- d. Residential square footage (gross) of each building
- e. Projected completion date

(Example included on page 4 of this document)

2) Building AMI – One tab will be provided per building. Information to be completed includes;

- a. Apartment number for each dwelling unit in the building
- b. Apartment sizes grouped by number of bedrooms
- c. Maximum allowable income for household eligibility, where applicable, in terms of Area Median Income (AMI) percentage. This is the maximum allowable income that a household can have to live in the particular unit.
 - For example, if the rent is affordable to a household making 80% AMI, the household living in the unit makes 70% AMI but the unit can be rented to someone making 100% AMI, we must report the 100% AMI (using the 91%-100% AMI band in the workbook).
- d. Initial Legal Rent registered upon completion as the rent stabilized rent, but ONLY for projects where HPD has established such rent pursuant to financing regulatory or other agreement.
 - Do not include the initial legal rent stabilized rent if such rent was not established by HPD pursuant regulatory or other agreement. Ask the Project Manager if you are not sure whether HPD established the Initial Legal Rent.
- e. Actual Initial Rent projected upon rent-up or completion of the project, updated after completion with the actual rent that is shown on the lease for the apartment for the initial occupant after

completion (for new construction or gut rehabilitation projects), or for the occupant in place at permanent loan conversion (for moderate rehabilitation projects).

(Example included on pages 5-6 of this document)

3) Developer Information - list the entity or individual name and title of each Principal Officer and Principal Owner of the Borrower Legal Entity. This includes each entity that comprises the Borrower Legal Entity and all entities on all tiers in the organizational structure, and includes each Principal Officer and each Principal Owner of all such entities.

- a. "Borrower Legal Entity:" the entity that is the owner of the building. Where there is a nominee agreement splitting legal and beneficial ownership, include both the legal owner and the beneficial owner.
- b. "Principal Officer:": an individual who serves as or performs the functions of Chief Executive Officer, Chief Finance Officer, or Chief Operating Officer.
- c. "Principal Owner:" an individual ("Individual") or an Entity. For these purposes, an Entity is defined as a partnership, limited liability company, joint venture, corporation or other organization which holds a ten percent or greater ownership interest in any such organization described herein or is a general partner of a partnership, a managing member of a limited liability company, an officer of a corporation, or other any other position conducting or participating directly in the conduct of the affairs of an entity. A "Principal Owner" does NOT include a limited partner of a limited partnership or an equity investor in a limited liability company or a limited liability partnership where such equity investor does not conduct or participate directly in the conduct of the affairs of the limited liability company or limited liability partnership.

(Example included on pages 7-10 of this document)

4) General Contractor Information

- a. "Principal Officer:" defined above
- b. "Principal owner:" defined above

(Example included on pages 11-12 of this document)

5) Sub-Contractor Information

- a. "Principal officer": defined above
- b. "Principal Owner:" defined above

(Example included on pages 13-14 of this document)

M/WBE UTILIZATION PLAN

Background

HPD seeks to expand its Minority and Women-owned Business Enterprise (M/WBE) program to promote greater M/WBE participation in the agency's development loan and disposition programs. The agency believes that greater M/WBE involvement in affordable housing development will serve to strengthen the industry and further HPD's mission of providing safe and affordable homes for all New Yorkers. Additionally, by focusing on small, locally based M/WBE companies, this initiative may act as a catalyst for new economic development opportunities in the communities HPD serves. To encourage M/WBE inclusion in development teams, HPD will require all developers receiving HPD and HDC subsidy to submit voluntary M/WBE utilization targets, which are expressed as a percentage of the HPD and HDC direct subsidy value, along with utilization plans detailing how they intend to include M/WBE firms on their development teams. Developers will submit updates to their plans every January 30 and June 30, together with their LL44 updates, in which they will list all payment amounts made under contracts with M/WBEs in order to track progress towards the developers' stated utilization targets..

Transparency Workbook

Included in the Transparency Reporting workbook are two tabs at the end of for recording and tracking M/WBE utilization on development teams:

- 6) M/WBE Professional Services
 - a. Professional service provided by entity
 - b. Professional service entity's name
 - c. Professional service entity's contact information

(Example included on page 15 of this document)

- 7) M/WBE Tracking
 - a. Utilization targets as a percentage of HPD subsidy value for MBEs and WBEs
 - b. M/WBE certification status
 - c. Certifying entity of M/WBE (NYC, NYS, NJ)
 - d. Certification type (MBE, WBE)
 - e. Value of contract with M/WBE vendor
 - f. Anticipated start date of contract
 - g. Anticipated completion date of contract

(Example included on pages 16-20 of this document)

The following is provided as an example only, not all scenarios are provided. For additional guidance please contact:

- your HPD Project Manager for any LL44/Transparency questions
- Kim Hardy at hardyk@hpd.nyc.gov for any M/WBE questions

1) Building Detail: Information for all the project’s buildings will be entered onto one “Building Detail” tab

- a. The building addresses will be pre-populated in the “Building Detail” tab. Data enter the following fields for each building in the project:
 - i. Stories per building
 - ii. Square footage at base
 - iii. Commercial square footage (gross): Enter 0 if no commercial space
 - iv. Residential square footage (gross)
 - v. Projected completion date (completion date is defined as date of T/CO or equivalent document for rehabilitation project, or master certificate for inclusionary housing)
 - 1. Original projected completion date is the date stated in commitment letter
 - 2. Field is updated every January 30 and July 30 until permanent loan closing

HPD Project Name									
HPD Project Name	123 ABC STREET - EXAMPLE								
HPD Program Name	DUMMY PROGRAM								
HPD Projected Start Date	6/19/2012								
	Address	Boro	Block	Lot	Stories per building	Square Footage at Base	Commercial Square Footage (gross)	Residential Square footage (gross)	Projected Completion Date
1	123 ABC STREET	MN	00001	1000	4	2000	2000	6000	9/1/2014
2	456 ABC STREET	MN	00002	1001	2	2000	0	4000	6/1/2013

Please note – you will not be able to make changes to the building addresses or BBLs. If the spreadsheet contains incorrect addresses or BBLs, please contact your HPD Project Manager immediately for a revised spreadsheet.

2) Building AMI tab(s): Unit AMI information will be entered on the “Building_” tab(s)

If the project has multiple buildings, a distinct tab will be provided for each building (i.e. 2 buildings yields 2 tabs Building_123 ABC STREET and Building_456 ABC STREET).

- a. Each Building AMI tab has ‘HPD Project Dwelling Units’- pre-populated with the total number of units in the project (Grey Box – Row 2 or cell A2) but not the number of units in the specific building. Fill in information for all apartment units in the building specified in Row 5. For example, if the building has 10 units, enter information on 10 unique rows about those units even if they are all the same unit size and AMI.
 - i. Apartment number (data enter)
 - ii. Bedroom Size (select from dropdown menu)
 - ***Please be sure to use formatting in dropdowns.***
 - iii. Maximum Allowable Income (select maximum/band from dropdown menu)

This is the maximum allowable household income (as Area Median Income percentage) that a household can have to live in a particular unit. For example, if the rent is affordable to a household making 80% AMI, the household living in the unit makes 70% AMI but the unit can be rented to someone making 100% AMI, we must report the 100% AMI (using the 91%-100% AMI band in the workbook).

 - ***Please be sure to use the formatting/bands provided in the dropdowns.***
 - iv. Initial Legal Rent: (see instructions above)

Initial Legal Rent registered upon completion as the rent stabilized rent, but ONLY for projects where HPD has established such rent pursuant to financing regulatory or other agreement.

 - ***Do not include the initial legal rent stabilized rent if such rent was not established by HPD pursuant regulatory or other agreement. Ask the Project Manager if you are not sure whether HPD established the Initial Legal Rent.***
 - v. Actual Initial Rent: (see instructions above)

Actual Initial Rent projected upon rent-up or completion of the project, updated after completion with the actual rent that is shown on the lease for the apartment for the initial occupant after completion (for new construction or gut rehabilitation projects), or for the occupant in place at permanent loan conversion (for moderate rehabilitation projects).

Unit Count	Apartment #	Bedroom Size	Maximum Allowable Household Income AMI%	Initial Legal Rent	Actual Rent
1	1A	1-BR	Super		
2	1B	1-BR	91%-100%		
3	1C	Studio	91%-100%		
4	1D	1-BR	0%-30%		
5	2A	3-BR	51%-60%		
6	2B	2-BR	0%-30%		
7	2C	2-BR	91%-100%		
8	3A	3-BR	51%-60%		
9	3B	2-BR	0%-30%		
10	3C	2-BR	91%-100%		

b. Complete this information for all building tabs.

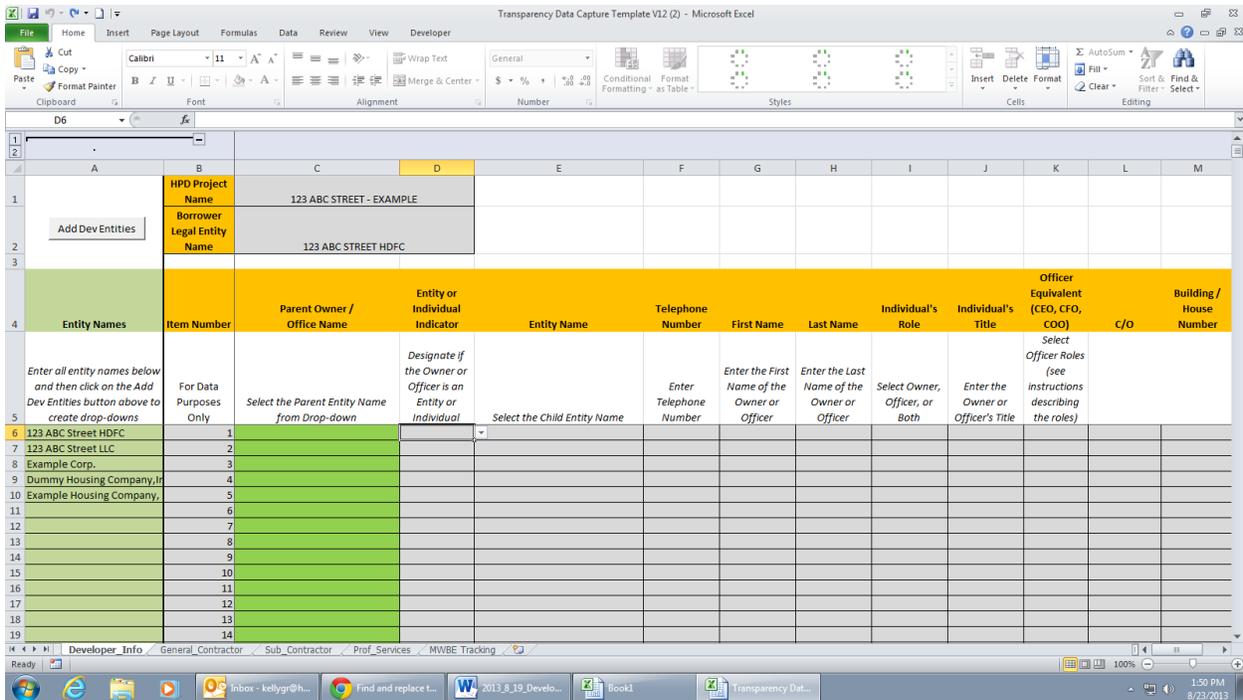
Please note – for projects with multiple buildings, the total number of units for the project will be displayed in row 2. For example, if a project has two buildings with 10 units each, totaling 20 units, row 2 would display 20 units on both Building AMI tabs. You would then enter the information for the 10 units in the first building on one Building AMI tab and the information for the 10 units in the second building in the next Building AMI tab.

3) Developer Information

The Legal Entity named in the closing documents (Borrower Legal Entity) is pre-populated in the “Developer Info” spreadsheet (Row 2). Fields will turn green in spreadsheet as a guide for data entry.

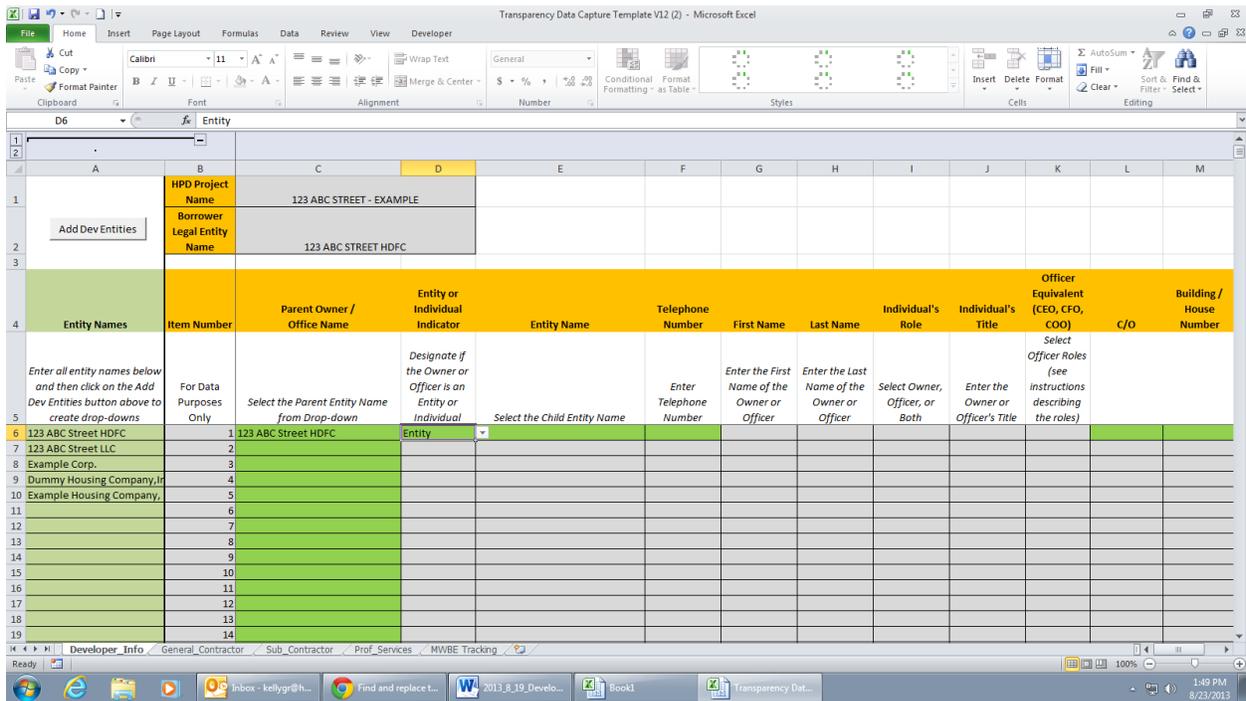
Step 1: Enter all Entities in Column A

- a. Enter each entry name starting in Cell A6, then click the ‘Add Entity’ button to create Parent Entity dropdowns.
 - The purpose of creating dropdowns is for consistency and to limit spelling variations. Please use the dropdown options when completing the information in columns C and E.
 - The dropdowns are for entities only. You do not have to include individuals in the dropdown options. In other words, do not enter individuals’ names in column A.
 - Also, it is only necessary to enter an entity once in column A. Once the dropdown is completed (after clicking on the Add Entity button), you may use the entity as many times as necessary in columns C and D.
 - The Borrower Legal Entity listed in cell C/D2 should be one of the entities (spelled the same way) listed in column A.
 - **Please note that there should be a row where this entity is listed as both the parent and child. All other entities and individuals should be able to tracked back through the relationships to the Borrower Owner Entity listed in row 6 (as parent and child) and in cell C/D2.**
 - You can add remove an entity from the dropdowns by changing the information in column A and then clicking on the Add Entity button again. However, anything added prior will still be included in columns C and E.

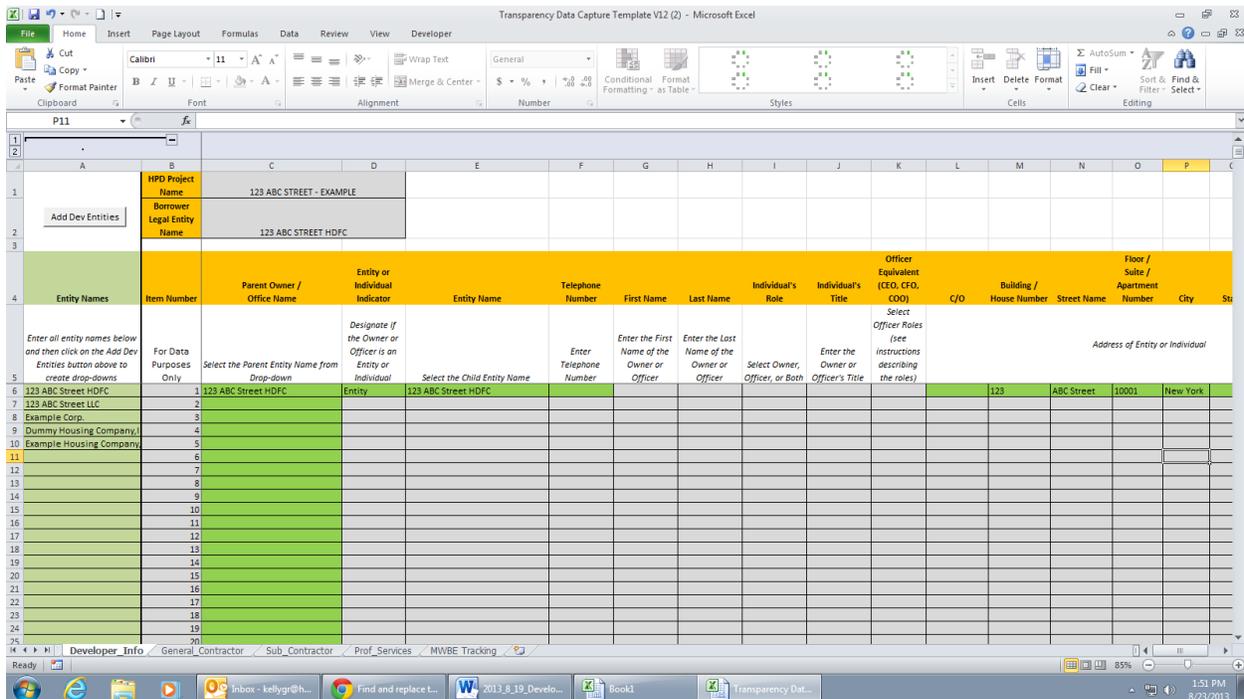


Step 2: Borrower Legal Entity

- a. In Cell C6, select the Borrower Legal Entity from the drop down as the parent entity.
- b. In Cell D6, select the Entity from the drop down and the fields to be completed will turn green.



- c. Select the Borrower Legal Entity from the dropdown for the Entity Name (Cell E6).
- d. Enter the entity's address.



Step 3: Principal Owners and Principal Officers

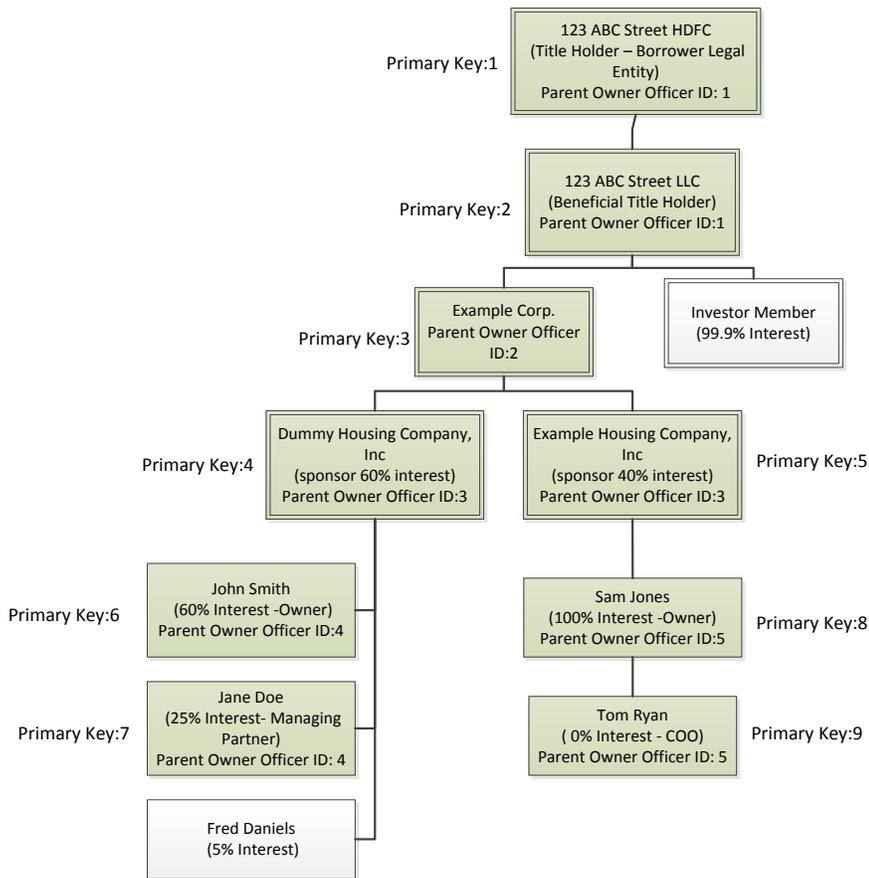
- a. Enter all other Principal Owners and Principal Officers. See definitions of Principal Owners and Principal Officers on page 1 of this document.
- b. Each related entity or individual is linked using the *Parent Owner/Officer* (Column C).
- c. Enter the entity or individual associated with the parent entity on the next row along with the *Parent Owner/Officer Name* associated with the parent entity or individual. (For Row 7, you'll select the Borrower Legal Entity from the drop down as the parent entity)

- d. Select from dropdown if related entity or individual is an Entity or Individual (as defined herein), and fill in corresponding information
 - i. For an Entity the following information is required – Entity Name and Address
 - ii. For an Individual the following information is required, First and Last name, title (data enter), Officer Equivalence (select from dropdown menu)
- e. Continue this process until all Entities and/or Individuals associated with the project are entered as required by LL 44.

The following example organizational chart has been given a *Primary Key* as well as *Parent Owner/Officer ID's* for your reference. In this example only entities/individuals in green are required to be reported to HPD under LL44: 123 123 ABC Street HDFC *Primary Key* = 1. *Parent/Owner Officer ID* =1

123 ABC Street HDFC *Primary Key* = 1. Since 123 ABC Street LLC is the entity of the 123 ABC Street HDFC the *Parent/Owner Officer ID* for 123 ABC Street's LLC = 1

123 ABC Street LLC *Primary Key* = 2. Since Example Corp is the entity of the 123 ABC Street LLC the *Parent/Owner Officer ID* for Example Corp = 2



Screenshot sample - Microsoft Excel

File Home Insert Page Layout Formulas Data Review View Developer

Clipboard Font Alignment Number Styles Cells Editing

Calibri 11

General

Conditional Formatting

AutoSum

Sort & Filter

Find & Select

110

1	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1		HPO Project Name	123 ABC STREET - EXAMPLE														
2	Add Dev Entities	Borrower Legal Entity Name	123 ABC STREET HDFC														
3																	
4	Entity Names	Item Number	Parent Owner / Office Name	Entity or Individual Indicator	Entity Name	Telephone Number	First Name	Last Name	Individual's Role	Individual's Title	Officer Equivalent (CEO, CFO, COO)	C/O	Building / House Number	Street Name	Floor / Suite / Apartment Number	City	St
5	Enter all entity names below and then click on the Add Dev Entities button above to create drop-downs		For Data Purposes Only	Select the Parent Entity Name from Drop-down	Select the Child Entity Name	Enter Telephone Number	Enter the First Name of the Owner or Officer	Enter the Last Name of the Owner or Officer	Select Owner, Officer, or Both	Enter the Owner or Officer's Title	Select Officer Roles (see instructions describing the roles)	Address of Entity or Individual					
6	123 ABC Street HDFC	1	123 ABC Street HDFC	Entity	123 ABC Street HDFC								123	ABC Street	10001	New York	
7	123 ABC Street LLC	2	123 ABC Street HDFC	Entity	123 ABC Street LLC								123	ABC Street	10001	New York	
8	Example Corp.	3	123 ABC Street LLC	Entity	Example Corp.								123	ABC Street	10001	New York	
9	Dummy Housing Company,	4	(Add Entity Name)	Entity	Dummy Housing Company, Inc.								123	ABC Street	10001	New York	
10	Example Housing Company,	5	Example Corp.	Entity	Example Housing Company, Inc.								123	ABC Street	10001	New York	
11		6	Dummy Housing Company, Inc.	Individual			John	Smith	Owner	Owner			123	ABC Street	10001	New York	
12		7	Dummy Housing Company, Inc.	Individual			Jane	Doe	Owner	Managing Partner			123	ABC Street	10001	New York	
13		8	Example Housing Company, Inc.	Individual			Sam	Jones	Owner	Owner			123	ABC Street	10001	New York	
14		9	Example Housing Company, Inc.	Individual			Tom	Ryan	Officer	COO	COO		123	ABC Street	10001	New York	
15		10															
16		11															
17		12															
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19		14															
20		15															
21		16															
22		17															
23		18															
24		19															
25		20															

Developer Info General Contractor Sub_Contractor Prof_Services MWBE Tracking

Ready

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4) General Contractor Information

General Contractor information follows similar logic to Borrower Legal Entity for data entry. The General Contractor as identified by the HPD Project Manager is pre-populated in the “General Contractor” spreadsheet (Row 2).

Step 1: Enter all Entities in Column A

- a. Enter each entry name starting in Cell A6, then click the ‘Add Entity’ button to create Parent Entity dropdowns.
 - The purpose of creating dropdowns is for consistency and to limit spelling variations. Please use the dropdown options when completing the information in columns C and E.
 - The dropdowns are for entities only. You do not have to include individuals in the dropdown options. In other words, do not enter individuals’ names in column A.
 - Also, it is only necessary to enter an entity once in column A. Once the dropdown is completed (after clicking on the Add Entity button), you may use the entity as many times as necessary in columns C and D.
 - The General Contractor listed in cell C/D2 should be one of the entities (spelled the same way) listed in column A.
 - **Please note that there should be a row where this entity is listed as both the parent and child. All other entities and individuals should be able to tracked back through the relationships to the General Contractor listed in row 6 (as parent and child) and in cell C/D2.**
 - You can add remove an entity from the dropdowns by changing the information in column A and then clicking on the Add Entity button again. However, anything added prior will still be included in columns C and E.

Step 2: General Contractor

- a. In Cell C6, select the General Contractor from the drop down as the parent entity.
- b. Select if General Contractor is an entity or individual from the “Entity or Individual Indicator” dropdown (Column D), and fill in corresponding information which will be highlighted in green:
 - i. For an Entity the, following information is required – Entity Name and Address
 - ii. For an Individual, the following information is required - First and Last name, title (data enter), Officer Equivalence (select from dropdown menu)

Step 3: Principal Owners and Principal Officers

- a. Enter all other principal owners and principal officers. See definitions of principal owners and principal officers on page 2 of this document.
- b. Each Entity or Individual is linked by the *Parent Owner/Officer* (Column C).
- c. Enter the related Entity or Individual associated with the parent Entity on the next line and the *Parent/Owner Officer ID* associated with the related Entity or Individual.
- d. Select from the dropdown if related entity or individual is an Entity or Individual (as defined herein), and fill in corresponding information
 - i. For an Entity the following information is required – Entity Name and Address
 - ii. For an Individual the following information is required, First and Last name, title (data enter), Officer Equivalence (select from dropdown menu)

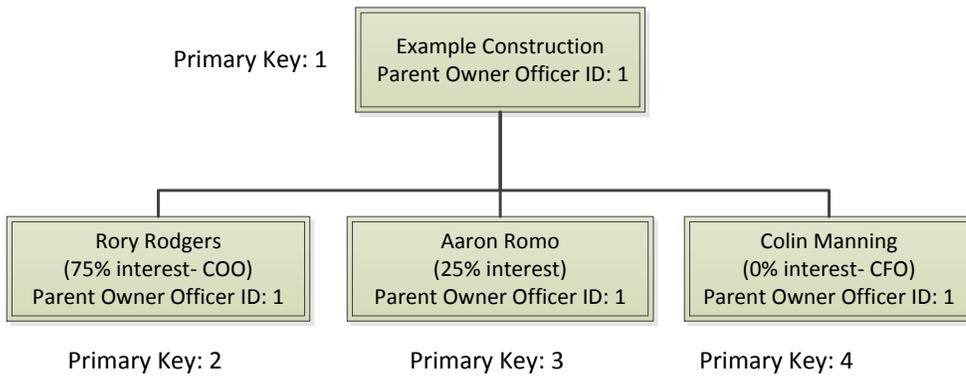
- e. Continue this process until all Entities and/or Individuals associated with the project are entered as required by LL 44.

The following example organizational chart has been given a *Primary Key* as well as *Parent Owner/Officer ID's* for your reference. In this example, only entities/individuals in green are required to be reported to HPD under LL44:

Example Construction *Primary Key* = 1. *Parent/Owner Officer ID* = 1.

Since Rory Rodgers is an Owner/Officer of *Example Construction*, the *Parent/Owner Officer ID* for Rory Rodgers = 1

Aaron Romo and Colin Manning are also Owners or Officers of *Example Construction* -*Parent/Owner Officer ID*= 1



Screenshot sample - Microsoft Excel

Entity Names	Item Key	Parent Owner / Office Name	Entity or Individual Indicator	Entity Name	Telephone Number	First Name	Last Name	Individual's Role	Individual's Title	Officer Equivalent (CEO, CFO, COO)	C/O	Buil Hc Nu
Example Construction	1	Example Construction	Entity	Example Construction								321
	2	Example Construction	Individual			Rory	Rogers	Both	COO	COO		321
	3	Example Construction	Individual			Aaron	Romo	Owner	Owner			321
	4	Example Construction	Individual			Colin	Manning	Officer	Financial Officer	CFO		321

5) Sub-Contractor Information

Sub-contractors follow similar logic to the Borrower Legal Entity and General Contractor forms; recognizing that sub-contractors are not related to each other. They are combined on one "Sub-Contractor" tab for ease of data entry.

The General Contractor is pre-populated in the spreadsheet (Row2)

Step 1: Enter all Entities in Column A

- a. Enter each entry name starting in Cell A6, then click the 'Add Entity' button to create Parent Entity dropdowns.
 - The purpose of creating dropdowns is for consistency and to limit spelling variations. Please use the dropdown options when completing the information in columns C and F.
 - The dropdowns are for entities only. You do not have to include individuals in the dropdown options. In other words, do not enter individuals' names in column A.
 - Also, it is only necessary to enter an entity once in column A. Once the dropdown is completed (after clicking on the Add Entity button), you may use the entity as many times as necessary in columns C and F.
 - You can add remove an entity from the dropdowns by changing the information in column A and then clicking on the Add Entity button again. However, anything added prior will still be included in columns C and F.

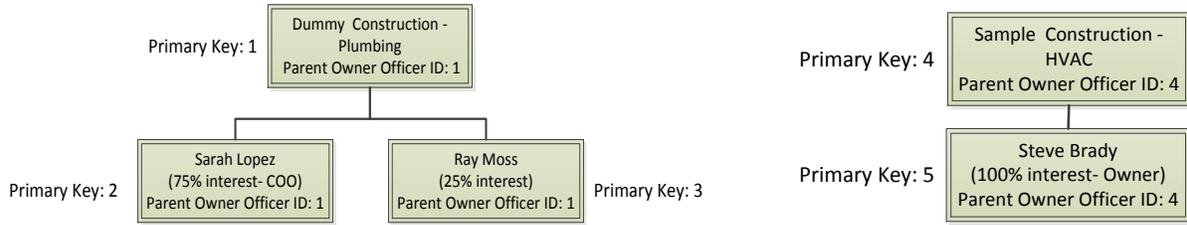
Step 2: Subcontractors

- a. In Cell C6, select the Subcontractor from the drop down as the parent entity.
- b. Select if Subcontractor is an entity or individual from the "Entity or Individual Indicator" dropdown (Column D), and fill in corresponding information which will be highlighted in green:
 - i. For an Entity the, following information is required – Entity Name and Address
 - ii. For an Individual, the following information is required - First and Last name, title (data enter), Officer Equivalence (select from dropdown menu)
- c. Repeat for each new Parent Subcontractor

Step 3: Principal Owners and Principal Officers

- a. Enter all other principal owners and principal officers. See definitions of principal owners and principal officers on page 2 of this document.
- b. Each Entity or Individual is linked by the *Parent Owner/Officer* (Column C).
- c. Enter the related Entity or Individual associated with the parent Entity on the next line and the *Parent/Owner Officer ID* associated with the related Entity or Individual.
- d. Select from the dropdown if related entity or individual is an Entity or Individual (as defined herein), and fill in corresponding information
 - i. For an Entity the following information is required – Entity Name and Address
 - ii. For an Individual the following information is required, First and Last name, title (data enter), Officer Equivalence (select from dropdown menu)
- e. Continue this process until all Entities and/or Individuals associated with the project are entered as required by LL 44.

The following example organizational chart has been given a *Primary Key* as well as *Parent Owner/Officer ID's* for your reference. In this example only entities/individuals in green are required to be reported to HPD under LL44:



Screenshot sample - Microsoft Excel

Entity Names	Item Key	Parent Owner / Office Name	Entity or Individual Indicator	Trade	Entity Name	Telephone Number	First Name	Last Name	Individual's Role	Individual's Title	Officer Equivalent (CEO, CFO, COO)	C/O
HPD Project Name		123 ABC STREET - EXAMPLE										
General Contractor		EXAMPLE CONSTRUCTION										
<i>Enter all entity names below and then click on the Add Sub Entities button above to create drop-downs</i>												
For Data Purposes Only		<i>Select the Parent Entity Name from Drop-down</i>										
		<i>Designate if the Owner or Officer is an Entity or Individual</i>										
		<i>Select Primary Trade of Subcontractor</i>										
		<i>Select the Child Entity Name</i>										
		<i>Enter Telephone Number</i>										
		<i>Enter the First Name of the Owner or Officer</i>										
		<i>Enter the Last Name of the Owner or Officer</i>										
		<i>Select Owner, Officer, or Both</i>										
		<i>Enter the Owner or Officer's Title</i>										
		<i>Officer Roles (see instructions describing the roles)</i>										
Dummy Construction - Plun	1	Dummy Construction - P	Entity	Plumbing	Dummy Construction - Plumber							
Sample Construction - HVA	2	Dummy Construction - P	Individual	Plumbing			Sarah	Lopez	Both	Owner	COO	
	3	Dummy Construction - P	Individual	Plumbing			Ray	Moss	Owner	Owner		
	4	Sample Construction - H	Entity	HVAC	Sample Construction - HVAC							
	5	Sample Construction - H	Individual	HVAC			Steve	Brady	Owner	Owner		
	6											
	7											
	8											
	9											
	10											
	11											
	12											
	13											
	14											
	15											
	16											
	17											
	18											

6) M/WBE Professional Services

Professional services include all the support services that facilitate project goals outside of construction and site preparation work. Examples include architecture, engineering, green consulting, legal, and appraisal services.

Note: The Professional Services worksheet should include only M/WBE professional service vendors. Non-M/WBE professional service vendors should not be entered.

Step 1: Select Primary Professional Service

Use the dropdown menu in column A to select the service that the vendor provides.

Step 2: Enter the Entity Name

Enter in column B the company name of the professional service vendor.

Step 3: Telephone Number

Provide the 10 digit telephone at which the professional service vendor can be reached in column C.

Step 4: Owner/Officer Information

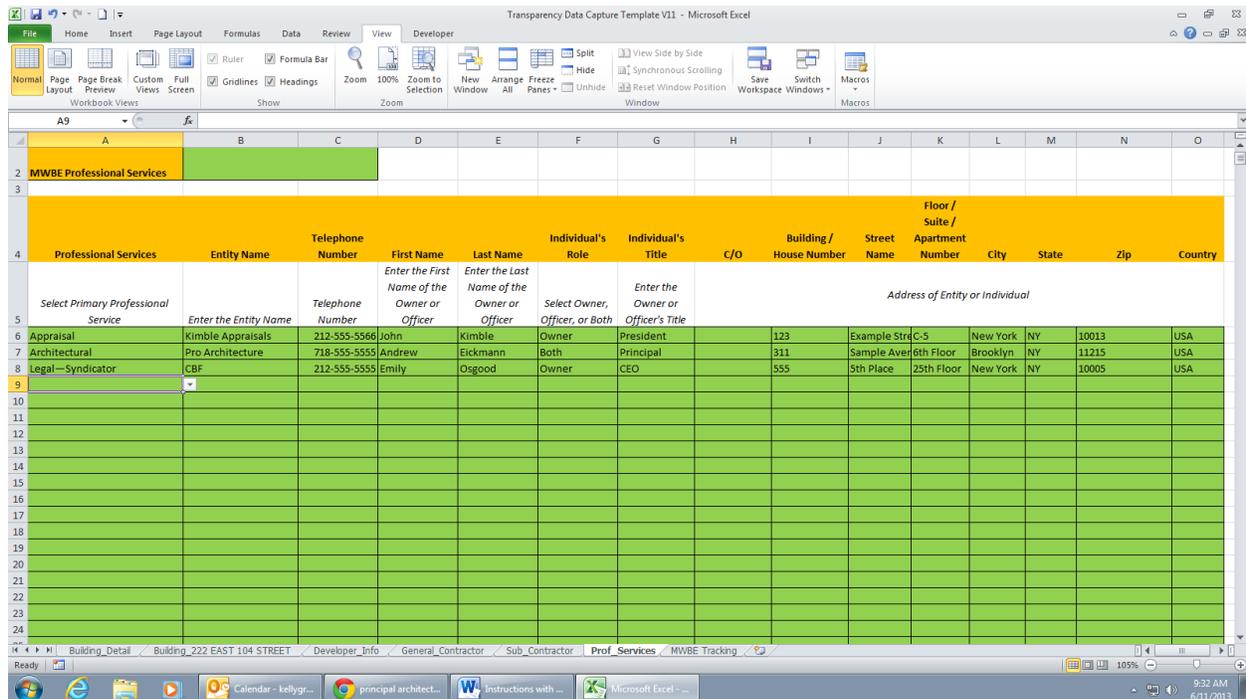
Provide the name of the Owner/Officer of the professional service vendor in columns D and E.

Step 5: Role and Title

Provide the role and title of the Owner/Officer of the professional service vendor in columns F and G.

Step 6: Contact Information

Complete the contact information fields for the mailing address of the professional service vendor.



7) M/WBE Tracking

The M/WBE Tracking worksheet is designed to allow developers to specify M/WBE utilization targets and track contracts awarded to certified M/WBE firms. Developers must express utilization targets as a percentage of the value of HPD and HDC direct subsidy awarded to a project. **FOR M/WBE reporting purposes, “HPD and HDC direct subsidy” is simply the dollar value on the check that HPD issues to the developer at the construction finance closing, (or in some cases at loan conversion,) PLUS the amount of any HDC subordinate mortgage.** Oftentimes, developers will not know the exact value of this subsidy until the day of closing. Therefore, developers should base their targets on their best estimate of the direct subsidy they will receive. If the project does not receive HPD loans (or an HDC subordinate mortgage), the developer is not required to complete the Professional Services and M/WBE Tracking worksheets.

The following example is intended to clarify the target setting process:

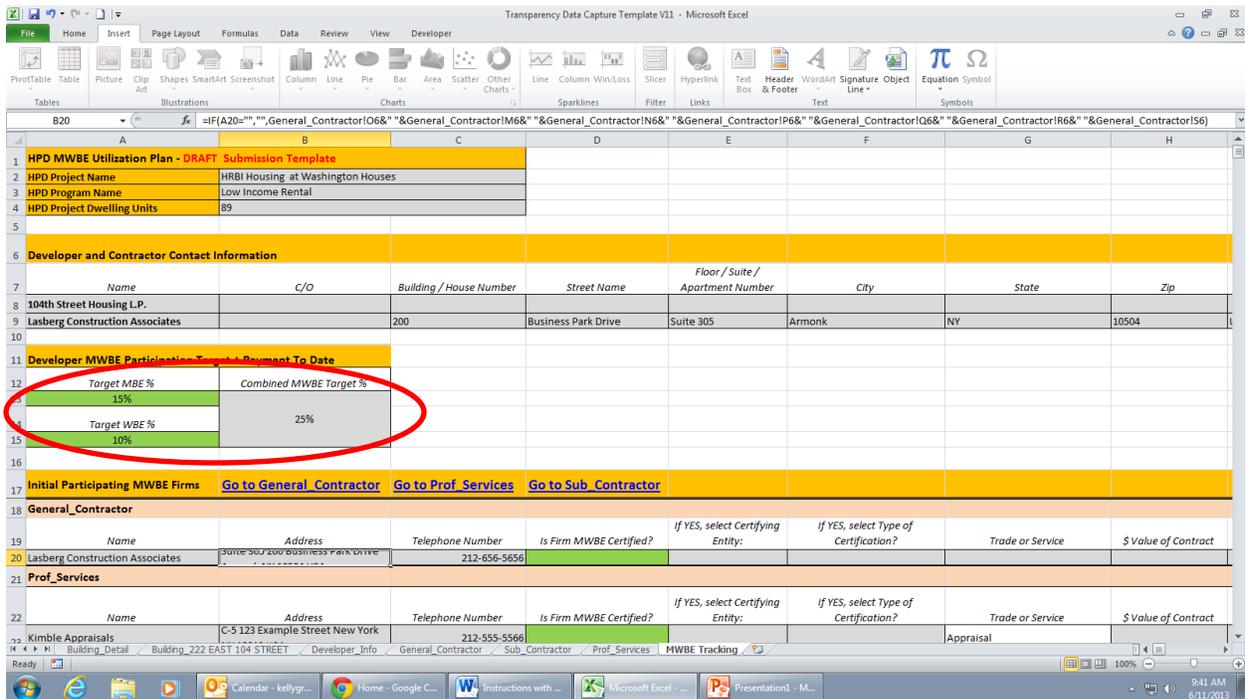
A New Construction project receives a \$3M low-interest HPD loan, \$1M in Resolution A funds, \$8M in LIHTCs, and a parcel of City-owned land for the price of \$1.00 from HPD. HDC provides \$10M in bond proceeds, secured by a first mortgage and a \$1M of HDC corporate reserves, secured by a second mortgage. At closing, HPD issues the developer a check for \$4M in combined HPD loans proceeds and Resolution A funds. For M/WBE target purposes, the HPD direct subsidy amount is just that \$4M closing check amount, and the HDC direct subsidy amount is just the \$1M HDC second mortgage, for a total of \$5M in HPD and HDC direct subsidy. The developer of this project would then specify a percentage of that \$5M to be awarded to MBE firms and WBE firms. For example, the developer could select targets of 10% for MBEs and 10% for WBEs. This would mean that the developer aimed to award \$500,000 in contracts to MBEs and \$500,000 in contracts to WBEs.

To facilitate the tracking process, all entities listed on the General Contractor, Sub Contractor, and Professional Services worksheets automatically populate the M/WBE Tracking worksheet. For each entity, there are additional fields related to its M/WBE certification, contract value, and contract duration.

Note: Before entering any information into the worksheet, optimal viewing is achieved by scaling the spreadsheet to 90% of the actual size.

Step 1: Specify M/WBE Participation Target

- a. Enter into cell A13 **the percentage** of HPD and HDC direct subsidy value expected to be awarded to Minority-owned Business Enterprise (MBE) firms.
- b. Enter into cell A15 **the percentage** of HPD and HDC direct subsidy value expected to be awarded to Women-owned Business Enterprise (WBE) firms.
- c. Note: Because the direct subsidy amount may not be finalized before closing, developers will need to estimate this amount when calculating their initial M/WBE targets. HPD will add the actual direct subsidy amount to subsequent worksheets generated after closing. This way, the developers' percentage targets will produce target amounts in dollars that they can compare to actual payments made to M/WBEs.



Step 2: Enter General Contractor Information

(Note: You can jump to the General Contractor section of this tab at any time by clicking on the “Go to General Contractor” hyperlink in Row 17.)

a. General Contractor M/WBE status

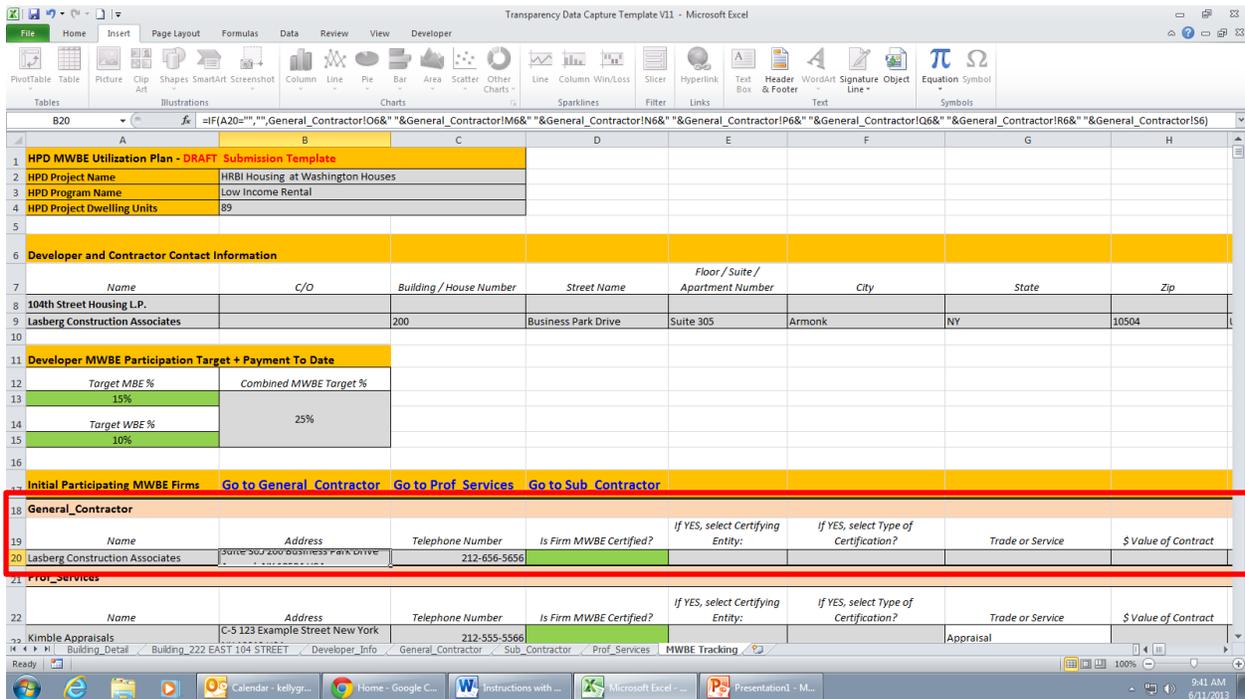
- i. Use the dropdown menu in column D to indicate whether the General Contractor is a certified M/WBE—if yes, additional boxes in the row will turn green, indicating that they can be filled in. Note: the dropdown menu allows developers to note if the entity is an M/WBE that has not yet been certified. Payments to uncertified entities do not count towards utilization targets, but HPD will encourage uncertified M/WBEs to get certified so that their participation is counted.
- ii. Use the dropdown menu in column E to identify the government entity that certified the M/WBE (Certifications will be accepted from New York State, New York City, and New Jersey State.)
- iii. Use the dropdown menu in column F to indicate the General Contractor’s certification type (either MBE or WBE. If the entity is certified as both an MBE and a WBE, the developer must choose one certification type to apply towards its targets. A single entity cannot be double counted towards both MBE and WBE goals.)

b. Contract Value

- i. Enter in column H the dollar value of the contract awarded to the General Contractor.

c. Contract Duration

- i. Enter in column I the anticipated start date of the contract with the General Contractor.
- ii. Enter in column J the anticipated completion date of the contract with the General Contractor.



Step 3: Enter Professional Services Information

(Note: You can jump to the Professional Services section of this tab at any time by clicking on the “Go to Prof Services” hyperlink in Row 17.)

a. Professional Service M/WBE Status

- i. Use the dropdown menu in column D to indicate whether the Professional Service entity is a certified M/WBE. Note: the dropdown menu allows developers to note if the entity is an M/WBE that has not yet been certified. Payments to uncertified entities do not count towards utilization targets, but HPD will encourage uncertified M/WBEs to get certified so that their participation is counted.
- ii. Use the dropdown menu in column E to identify the government entity that certified the M/WBE. (Certifications will be accepted from New York State, New York City, and New Jersey State.)
- iii. Use the dropdown menu in column F to indicate the Professional Service entity’s certification type (either MBE or WBE. If the entity is certified as both an MBE and a WBE, the developer must choose one certification type to apply towards its targets. A single entity cannot be double counted towards both MBE and WBE goals.)

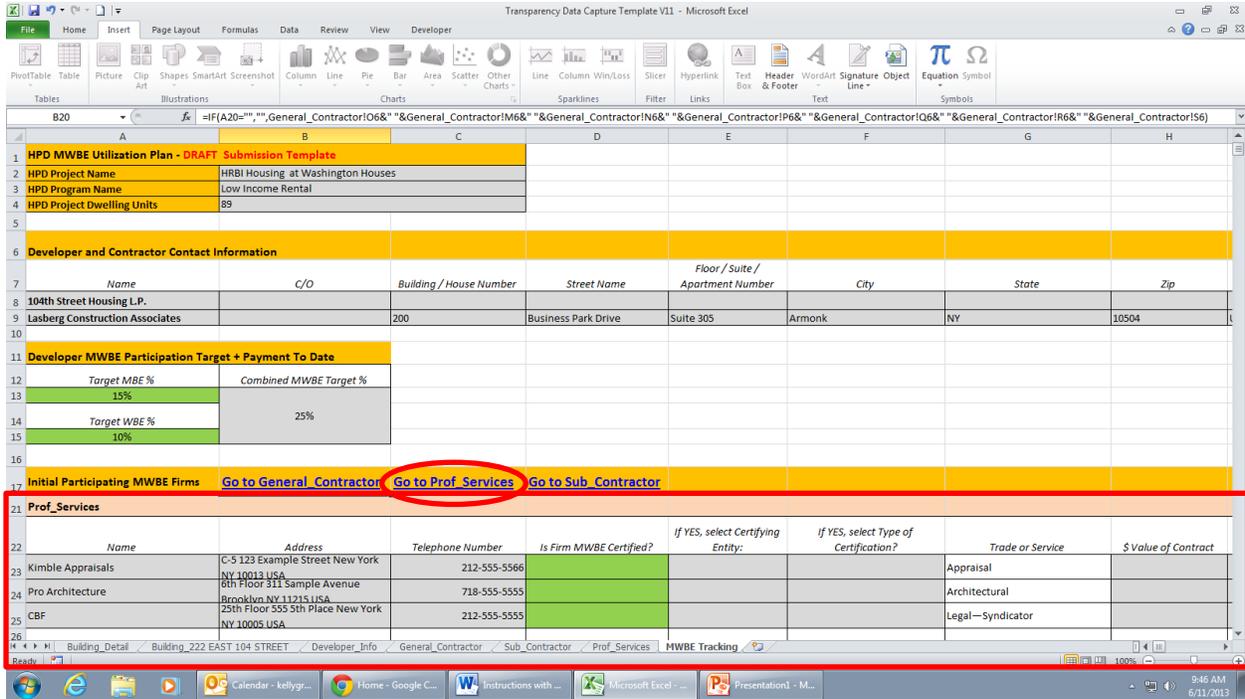
b. Professional Service Entity Contract Value

- i. Enter in column H the dollar value of the contract awarded to the Professional Service entity.

c. Professional Service Entity Contract Duration

- i. Enter in column I the anticipated start date of the contract with the Professional Service entity.

- ii. Enter in column J the anticipated completion date of the contract with the Professional Service entity.



Step 4: Enter Sub-contractor Information

(Note: You can jump to the Sub-contractor section of this tab at any time by clicking on the “Go to Sub Contractor” hyperlink in Row 17.)

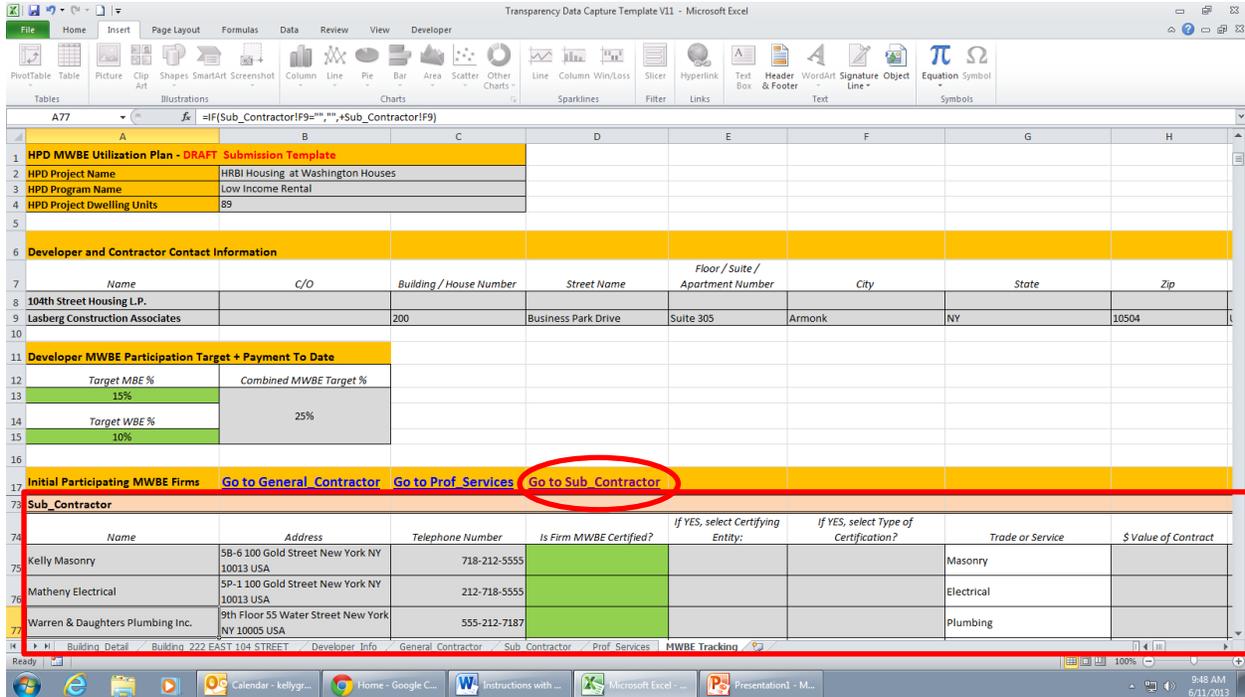
- a. Navigate to Sub-contractor Data Entry Area.
 - i. Click the text in cell D17.
 - ii. The sheet navigates to cell A75, which is where the first Sub-contractor should be listed.
- b. Sub-contractor M/WBE Status
 - i. Use the dropdown menu in column D to indicate whether the Sub-contractor is a certified M/WBE—if yes, additional boxes in the row will turn green, indicating that they can be filled in. Note: the dropdown menu allows developers to note if the entity is an M/WBE that has not yet been certified. Payments to uncertified entities do not count towards utilization targets, but HPD will encourage uncertified M/WBEs to get certified so that their participation is counted.
 - ii. Use the dropdown menu in column E to identify the institution that certified the M/WBE. (Certifications will be accepted from New York State, New York City, and New Jersey State.)
 - iii. Use the dropdown menu in column F to indicate the Sub-contractor certification type (either MBE or WBE. If the entity is certified as both an MBE and a WBE, the developer must choose one certification type to apply towards its targets. A single entity cannot be double counted towards both MBE and WBE goals.)

c. Sub- Contractor Contract Value

- i. Enter in column H the dollar value of the contract awarded to the Sub-contractor.

d. Sub-contractor Contract Duration

- i. Enter in column I the anticipated start date of the contract with the Sub-contractor.
- ii. Enter in column J the anticipated completion date of the contract with the Sub-contractor.



Submit your completed spreadsheet to HPD Project Manager via email on the date of closing and again with new and updated required information on every January 30 and July 30 thereafter (commencing on whichever date is the first to occur after closing) until permanent loan closing. You will receive periodic email reminders from HPD should you not submit this spreadsheet on the date of closing, and for the bi-annual updates.

If you have questions completing or submitting this spreadsheet, contact Kim Hardy at hardyk@hpd.nyc.gov.