ShareNYC RFEI Addendum
RFP Issue Date: November 1, 2018
Addendum 1 Issue Date: January 14, 2019
Addendum 2 Issue Date: February 6, 2019

Contents of the Addendum

A. Questions and Answers – Enclosed are questions and answers that were sent to the ShareNYC RFI/RFEI email address. Additionally, updated responses are provided for several questions from Addendum 1.
General Questions

Q1: Have any amendments, FAQ, and/or clarifications been released by HPD for this opportunity?

Q2: Threshold for a project’s eligibility appears to be that a project is “substantially composed of income-restricted units” (page 17 in the RFP). Is there an official HPD definition of “substantially composed”?
A2: HPD responded to this question in Addendum 1 (Question 16) to the ShareNYC RFI/RFEI and is updating such response to include information on preservation and conversion/legalization proposals.

The proposed project must be substantially affordable. For the purposes of this RFI/RFEI, a new construction substantially affordable project is one that provides, at a minimum, more affordable units than would be otherwise achieved through “as-of-right” tax incentive programs, or greater than 25% – 30% of the units, even if no tax exemptions are used in the financing. Respondents should note that this standard also applies to a project for the adaptive reuse of a building where there are no existing tenants. For a submission that proposes to preserve affordable units where there are existing tenants, including conversion/legalization of de facto Shared Housing Units, a substantially affordable project is one that maintains any level of affordable units in the proposed project.

Respondents should note that in accordance with Goals of the RFEI and the Competitive Criteria, projects will be evaluated on how well the development program identifies and addresses an unmet housing need. There are preferences for proposals that are predominantly affordable, include a mix of AMIs, and/or include units for extremely low and very low income tenants and formerly homeless tenants.

Financing

Q3: Will rooming units qualify as “affordable housing units” under 421-a?
A3: This response updates HPD’s response to Question 31 from Addendum 1.

HPD is continuing to explore how Shared Housing Units will work with 421-a, but should not be considered applicable at this time. If RFEI responses propose to use a tax exemption in the financing proposal, they may assume any of the other typically available tax exemptions (e.g. 420-a, 420-c, Article XI) and demonstrate the applicability and feasibility of applying such tax exemption to the project. For the purpose of applying these tax exemptions, the room or rooms that are subject to an individual lease, which in the case of Shared Housing Units will be the Rooming Units, should each be considered an affordable housing unit.

Q4: For purposes of 421-a, is an affordable unit considered as the shared unit, or the number of occupied rooms. (E.g. would a shared housing unit with 3 separate occupants or “households” and one shared living room be considered as 1 unit or 3?)
A4: This response updates HPD’s response to question 32 from Addendum 1.
HPD is continuing to explore how Shared Housing Units will work with 421-a, but should not be considered applicable at this time. If RFEI responses propose to use a tax exemption in the financing proposal, they may assume any of the other typically available tax exemptions (e.g. 420-a, 420-c, Article XI) and demonstrate the applicability and feasibility of applying such tax exemption to the project. For the purpose of applying these tax exemptions, the room or rooms that are subject to an individual lease, which in the case of Shared Housing Units will be the Rooming Units, should each be considered an affordable housing unit.

Zoning & Regulatory Issues

Q5: Are proposals which include flexible units (i.e., units where walls can be moved) appropriate for the RFEI?
A5: This response updates HPD’s response to question 51 from Addendum 1.

Proposals may include flexible units, including those where walls can be moved. However, proposals that include flexible units should illustrate every possible configuration afforded by the flexible design and demonstrate that each configuration would remain compliant with all applicable regulations, codes, and ordinances (including egress, fire suppression, accessibility, etc.). Any such proposals must also describe under what circumstances units may be reconfigured, by whom, and upon whose request.