

Property Pathways RFEI Addendum Q&A

- 1. How quickly will HPD respond Property Pathways RFEI Respondents?**
 - a. Response time will vary based on the application. Respondents should indicate the rehabilitation timeline to give HPD a sense of how quickly the units would be able to come online.

- 2. Is there a recommended capital structure? And how far along in negotiations with potential sellers should respondents be?**
 - a. Respondents should indicate their status as it relates to site control in the RFEI application such as if there is an option to purchase or a purchase and sale agreement. If there is a PSA, please send it along with the application. HPD will review the acquisition price, unless the plan is to finance the acquisition privately.
 - b. Projects assuming supportive housing should comply with the Supportive Housing Loan Program (SHLP) term sheet. Note that the SHLP term sheet requires a 60% minimum supportive set aside and not-for-profit ownership or JVs where the not-for-profit holds majority ownership.
 - c. Non-supportive projects can apply through Neighborhood Pillars or the Participation Loan Program (PLP) term sheet.
 - d. Respondents may also apply solely for a tax exemption, including Article XI, without applying for subsidy through one of HPD's programs.

- 3. Should respondents assume the units set aside for formerly homeless households will receive rental subsidy?**
 - a. No. Respondents should not assume that all homeless set-aside units will receive rental subsidy. However, they can propose such a structure in the application.

- 4. How does the RFEI differ from HPD's current programs?**
 - a. The Property Pathways RFEI is soliciting a specific building type by identifying properties with a large share of vacancies that can be converted to safe stable permanent housing and be occupied by formerly homeless and low-income households. In addition, Respondents must designate at least 50% of the total units in the building for permanent housing for homeless households.

- 5. If a project is relying on the Neighborhood Pillars term sheet, how should the acquisition price be determined?**
 - a. HPD will require that the acquisition price is supported by an "as is" appraisal, acceptable to HPD, to move forward with the proposal.

- 6. If the appraised value comes in above the acquisition price, would HPD subsidize at an above-term sheet level?**
 - a. If the Respondent is requesting a variation from the program term sheets other than the percentage of units designated for homeless households, the Respondent must explain any requests for exceptions in its proposal.

7. How should an owner seeking a partner proceed?

- a. HPD encourages organizations that have site control but do not have experience financing, owning and managing affordable housing, especially HPD or HDC financed and regulated properties to collaborate with entities on HPD's [Qualified Preservation Buyers List](#) and/or [Owner's Representative Pre-Qualified List](#).
- b. Such organizations may still apply if the partnership has not yet been fully finalized.
- c. HPD reserves the right to request that the Respondent revise its application with a more experienced Development team.

8. How would a fully construction new building that is not occupied be appraised?

- a. A third-party appraisal firm would determine the answer to that question, and HPD would review the "as is" appraisal.

9. What is the timeline for HPD to review appraisals?

- a. HPD's response will depend on whether subsidy is required. Some acquisition and financing strategies are faster to review than others

10. What is the minimum building size for the Property Pathways RFEI?

- a. The minimum building size for a vacant or partially vacant building is at least 10 units.

11. What materials are required for the RFEI the application?

- a. Please review the application for the [Property Pathways RFEI](#) on the HPD website.
- b. HPD may respond to the applicant with request for revisions or clarifications
- c. HPD will send due diligence checklists for the relevant financing program after a project has been accepted.

12. How are the materials required to be submitted?

- a. The Property Pathways RFEI package must be submitted in the following format:

RFEI Package

The following must be provided separately for each Site the Respondent intends to submit for:

- One (1) bound original, signed by an authorized representative of the Respondent;
- One (1) bound copy;
- One (1) flash drive containing all components of the Submission, with separate files or folders for each tab as well as the complete submission in one PDF file. All PDFs must be searchable.

Original and copy must be bound in a standard 3-ring view binder with the following information clearly printed on the front view cover:

- Project Title; Respondent Name; Project Site; Submission Date

Delivery Address

Submissions must be delivered by hand to:

Department of Housing Preservation and Development
Office of Development
100 Gold Street, 9-A
New York, NY 10038
Attention: Deputy Commissioner Elizabeth Oakley

13. Can I apply for the Property Pathways RFEI with vacant land?

- a. No, the Property Pathways RFEI is soliciting properties with a large share of vacancies that can be converted to safe stable permanent housing and be occupied by formerly homeless and low-income households. Owners with vacant land may apply to HPD's [New Construction programs](#).

14. What should Respondents assume for rents in these projects?

- a. Projects providing supportive housing should assume the rental assistance payment standard or operating subsidy corresponding to the expected service contract. Units not covered by supportive contracts in these buildings should comply with the SHLP term sheet guidelines.
- b. If a Respondent is proposing a supportive project they must provide a narrative that describes the service funding they are applying for, including a timeline for application and notification of award. Respondents must also identify their proposed service provider and provide a Letter of Intent (LOI) from the service provider with the application submission.
- c. For non-supportive projects, the rents would depend on the applicable regulations. If the rents are unrestricted, rents would be set in accordance with term sheet requirements.
- d. For non-supportive projects, Respondents must provide a timeline for outreach and selection of a service provider from HPD's Pre-Qualified List of Housing Retention and Stabilization Services providers.
- e. PBV would determined on a case by case basis

15. Does HPD have a list of Qualified service providers to comply with the service provider requirements of the RFEI?

- a. Yes. Please review HPD's [Pre-Qualified List of Housing Retention and Stabilization Services Providers](#).