

Request for Applications - Gowanus Neighborhood Mixed Income Housing Development Program

Addendum # 2 - Questions & Answers and August 8, 2023 Information Session Attendance

Release Date: August 25, 2023

The following is a list of responses to questions submitted by prospective respondents (“Respondents”) and August 8, 2023 Information Session Attendance list connected to the Request for Applications - Gowanus Neighborhood Mixed Income Housing Development Program

No.	Question	Answer
1	Elaborate on the review and approval process	After the September 29, 2023, deadline for submitting applications, ESD will review all applications for eligibility. Upon notification of eligibility, ESD will enter into a cost agreement with each approved applicant to cover ESD’s third-party costs (including legal, environmental, etc.). ESD will then proceed with environmental review and other approvals. The Parties will agree on a Lease, PILOT Agreement, Regulatory Agreement, and other ancillary documents based on form documents provided by ESD. Transactions must be approved by the ESD Board of Directors and the Public Authorities Control Board (“PACB”). We anticipate the approval process to take approximately six to nine months. Developments must close on the transaction and commence construction within six months of PACB approval.
2	What are the frequency of ESD Board of Directors and PACB meetings?	The ESD Board of Directors and PACB have separately scheduled meetings that each typically are scheduled once every calendar month.

3	What is the PACB's approval criteria?	The Public Authorities Control Board (PACB) was created and empowered pursuant to Sections 50 and 51 of the Public Authorities Law. These sections of law direct that eleven statewide public authorities must receive a resolution of approval from PACB prior to entering into project-related financings.
4	When will ESD form documents be available?	ESD is actively working on developing the required form documents and will post them to the Request for Application ("RFA") webpage as an addendum once ready. We do not anticipate that they will be finalized prior to the RFA deadline.
5	What is the timeline for receiving TCO to be eligible to receive PILOT benefits?	Each development must receive a TCO for all residential units within 48 months from the closing with ESD. The 48-month timeline for receiving TCO may be extended at the discretion of ESD.
6	What are the Minority- and Woman-Owned Business Enterprises ("MWBE") requirements for the Gowanus Developments?	<p>Developments will be required to comply with MWBE contracting requirements. Goals will be assessed by ESD once applications are submitted and more information is known about each proposed development. As such, applications will not be required to include MWBE utilization plans and other related forms listed in Section IX of the RFA at time of application. ESD will require these forms during the review and approvals process.</p> <p>Applicants are requested to submit a self-certified memo outlining the percentage of soft and hard cost contracts bought as of the date of the announcement of the Gowanus Neighborhood Mixed-Income Housing Development Program (July 18, 2023). This should include total budgets for hard and soft costs, the percentage of respective soft and hard costs that have been bought, and the percentage that include NYS certified MWBEs.</p>

7	What are the Service Disabled Veteran Owned Businesses (“SDVOB”) requirements?	ESD will provide guidance on how projects should determine SDVOB targets at a later date.
8	Are all units rent stabilized during the PILOT period? What happens after the abatement period for rent stabilization?	As stated in the RFA, all affordable units must be permanently affordable. In addition, the affordable units remain subject to rent stabilization during this period. Market rate units are subject to the same provisions relating to rent stabilization as set forth in the expired 421-a(16) Affordable New York Program.
9	Is there a transfer tax when title is transferred to ESD and back to the developer?	There are no special provisions in ESD’s Mixed Income Housing Development Program that would change the manner in which purchase and leaseback agreements between ESD and a private developer are treated for tax purposes. Applicants should consult with their tax advisors regarding all tax matters.
10	How will ESD work with the New York City Department of Housing Preservation and Development (“NYC HPD”) in coordinating Mandatory Inclusionary Housing (“MIH”) applications	ESD and NYC HPD will work in collaboration to facilitate coordinated review and approvals for the PILOT and MIH programs, respectively. Applicants are encouraged to begin the process of working with NYC HPD on their MIH applications as soon as possible. Applicants should make NYC HPD aware that they plan to pursue ESD’s Gowanus Neighborhood Mixed Income Housing Development Program.

11	Is flexibility available for applications post-September 29, 2023? Can applications with deficiencies be supplemented?	Applicants are encouraged to submit applications by the September 29, 2023, due date. Should there be extenuating circumstances that prohibit an applicant from submitting by the due date, they should provide an explanation in writing to mixedincomehousing@esd.ny.gov for consideration.
12	What type of environmental review is required? Is a programmatic environmental review anticipated?	The EIS prepared for the Gowanus Neighborhood Rezoning and Related Actions (CEQR #19DCP157K) will be used to inform ESD's SEQRA review.

August 8, 2023 Information Session Attendance

Name	Affiliation
Sheldon Werdiger	RFR
Abner Larrieux	A.L. Consulting Group
Zachary Nathanson	Belkin Burden Goldman
Ethan Geto	Geto & de Milly, Inc.
Bobbi Barnett	NYS Senate Counsel's Office
Matthew Albert	Monadnock Development
Gabriel Paniza	NYS Senate
Emma Wallach	NYS Senate Majority Counsel
Joe Porritt	The Brodsky Organization
Tori Kelly	NYS Senate
Nayram Gasu	NYS Senate Majority
Zach Goldman	RFR Holding
Eric Weiss	Midwood Investment & Development
Linoi Sivan	Tavros Holdings
Chris Fezza	Midwood Investment & Development
David Billet	Downtown LP

Chase Tarantino	The Domain Companies
Kristen Rouse	Office of Rep. Dan Goldman
Brenda Slochowsky	Seiden Schein
Lauren Sanders	Midwood Investment & Development
Philip Caporaso	Tavros Holdings
Sen. Andrew Gounardes	NYS Senate
Adam Morsy	Cozen O'Connor
Simon Usdan	Tavros Holdings
Ken Fisher	Cozen O'Connor
Patrick Blanchfield	AKRF, Inc.
Julie Hendricks-Atkins	Geto & de Milly, Inc.
Thomas McMahon	TLM Associates
David Yudelson	Sive Paget & Riesel
Molly Haley	Office of Council Member Lincoln Restler
Howard Katz	MacArthur Holdings
Erin Wright	Office of The Brooklyn Borough President
Matthew Schwartz	The Domain Companies
Michelle Frucht	The Brodsky Organization
Robert Doster	MacArthur Holdings
Teodora Zobel	Midwood Investment & Development
Allison Mingus-AM Simon (Allison Mingus)	NYS Assembly
Jo Anne Simon	NYS Assembly
Alex Lipnick	Midwood
Yoel Schwimmer	N/A
Mia Perez	NYC Council
Camila Almeida	Seiden & Schein P.C.
Madeleine Roy	The Domain Companies
Frank Dubinsky	Monadnock Development
Jason Hershkowitz	Seiden & Schein, P.C.
Wenqing Zhang	VOREA