

# Shared Equity RFP Questions & Answers

## Funding & Project Delivery Fee

1. **Can funds from this program be used in tandem with funds from other city programs, such as the Community Wealth Building program?**
  - Yes, the City is open to layering of funds.
2. **For the per-project delivery fee that you are asking for, would that be something like “10% of the total amount of each subgrant award” or “\$30k flat fee for each subgrant award,” something like that? Rather than a per-unit fee? Would the City be OK with a fee structure that takes into account whether the administrator draws from its own capital for a deal?**
  - The City is open to a project delivery fee that can vary based on the scope of duties performed. A percentage or flat fee proposal is acceptable, as is a sliding scale based on units supported or other measurable outcomes. Please propose a project delivery fee that is reasonable for your program design and business model. The City anticipates that this may differ based on application or available capital and is purposefully open to receiving varying proposals.
3. **Is the project delivery fee equivalent to a developer's fee? Is there an acceptable range that we should suggest?**
  - The project delivery fee should encompass all costs associated with supporting a particular address with purchase price or acquisition. As noted above, this fee may vary based on scope of duties. There is no suggested range.

## Affordability Requirements

4. **Why are CLTs and LEHC to be permanently affordable, yet individuals only have to comply with the affordability requirements for five years?**
  - In either case, CLTs and LEHCs are expected to be permanently affordable. However, the monitoring requirements for primary residency for individual buyers is five years, maintaining consistency with established City purchase price assistance.
5. **Does the CLT or LEHC have to preserve the grant amount given to an individual and pass that along to another restricted covenant or share purchaser at the amount of the grant in the event of a resale?**
  - For purchase price, if the resale occurs within the five-year compliance period, yes – though the grant recapture amount will vary based on time of resale. If the resale occurs after the compliance period, there is no preservation of the grant amount required.

## Building Eligibility

6. **On Page 5 under the Track 2 “Project Eligibility Requirements” section, it states that “Property must be code compliant upon purchase. If building requires rehabilitation, a Certificate of Completion from the Dept. of Buildings must be submitted prior to occupancy.” Can you clarify if such buildings would be eligible under this program?**
  - One additional word would help to clarify, “Property must be code compliant upon purchase **OR** if building requires rehabilitation, a Certificate of Completion from the Dept.

of Buildings must be submitted prior to occupancy.” Buildings that require rehabilitation are eligible.

#### Compliance & Monitoring

- 7. On page 7, under the “Grant Duties” section, it states that the grantee must conduct annual check-ins to collect data and ensure compliance with post-completion requirements. Since one of the requirements is permanent affordability, how long does the city expect the grantee to complete these annual check-ins?**
  - The City is willing to work with grantees on a structure of check-ins and applicants are encouraged to submit their proposals for check-ins. If this compliance monitoring will be subcontracted out, please note that in the application as well.
- 8. Would DOH accept quarterly meetings in lieu of bi-monthly or monthly meetings?**
  - DOH is welcome to a different proposed meeting cadence and will work with the selected grantee to ensure the schedule is appropriate for both parties. The City anticipates more frequent meetings at the start of the grant term to ensure successful launch and likely less frequent once the program is running.
- 9. What is the City's approval reporting platform to monitor subgrantee interactions, data, etc.?**
  - The City has not mandated a particular reporting platform and encourages applicants to indicate their preferred platform. Once finalists are selected, the monitoring and data requirements will be codified through the contracting process.

#### Other

- 10. This RFP, in certain segments, confuses the subgrantee, that is the CLT or LEHC, with the administrator.**
  - To clarify, the Grantee is synonymous with administrator. Subgrantee refers either to a CLT or LEHC (for acquisition) or homebuyer (for purchase price).
- 11. Are there application models for subgrantees that DOH would provide or suggest, as the RFP states that the administrator is required to create an application process?**
  - No, DOH will accept application models based on administrator expertise and experience.
- 12. The RFP states that homeowner assistance for co-op members must be structured as a grant to the cooperative to write down the share price. Co-ops are typically not 501c3's, so the co-op would have to pay tax on the receipt of the grant, which limits the net amount usable for share price write downs. Is it possible for the City assistance for co-op homebuyers to be structured the same as for other homeowners, as a direct homebuyer grant?**
  - The City certainly doesn't want to provide an undue tax burden on the coop or purchaser. DOH is open to restructuring the cooperative assistance and we will work internally with our Dept. of Law to ensure that the purchase price agreement for purchasers in cooperatives is structured appropriately for this purpose.