

NYC Department of Housing Preservation and Development (HPD)
Office of Development, Division of Special Needs Housing

Senior Affordable Rental Apartments (SARA) Program
Term Sheet

Program Description	HPD's Senior Affordable Rental Apartments (SARA) Program funds the new construction or adaptive reuse of 100% affordable housing for older adults over the age of 62*, with on-site social services and project based rental assistance. All units must be affordable to households earning up to 60% of Area Median Income (AMI). 30% of units must be set aside for formerly homeless households. HPD subsidy is paired with other public and private sources including but not limited to: private institutional debt; New York City Housing Development Corporation's (HDC) programs such as HDC's New Construction Program; New York State Homes and Community Renewal (HCR) programs such as the New Construction Capital Program (NCP), the Supportive Housing Opportunity Program (SHOP), Homes for Working Families Initiative (HWF), the Low Income Housing Trust Fund Program (HTF), Middle Income Housing Program (MIP), and New York State Low Income Housing Tax Credit Program (SLIHC); 4% Federal Low Income Housing Tax Credits (4% LIHTC) with Tax Exempt Bond Financing from HDC or the New York State Housing Finance Agency (HFA), or 9% Federal Low Income Housing Tax Credits (9% LIHTC) awarded by HPD or HCR. <i>*Formerly homeless units may be age restricted to older adults over the age of 55. See Supportive Housing Units section for more details.</i>
Eligible Sponsors	In order to be eligible for capital funds, a Sponsor (defined as developer and/or owner of the project) must be a Housing Development Fund Corporation either alone or in partnership with non-profit entities, for-profit developers, limited partnerships, corporations, trusts, joint ventures, or limited liability companies. Sponsors must have a demonstrated track record of successfully developing, leasing, and managing the type of proposed housing development, or must form a joint venture with an entity with such expertise. Sponsors must demonstrate sufficient financial stability and liquidity to construct and operate the project. Depending on funding availability, HPD may prioritize financing SARA projects sponsored, developed, or owned by Community Development Housing Organizations (CHDOs), as defined by 24 CFR §92.2. Non-Profit Sponsors: To be considered a non-profit Sponsor a 501(c)(3)/501(c)(4) non-profit entity must comprise more than 50% of the ownership and have a key decision-making role in the project.
Project Prioritization	Preference will be given to projects that: maximize efficiency of public resources and achieve multiple policy goals from Housing Our Neighbors: A Blueprint for Housing and Homelessness. For SARA projects located within Limited Affordability Areas, only projects utilizing Option 2 in the unit mix section below will be considered.

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Affordability Requirements	Affordability Tiers: All units should be paired with project based rental assistance and should be affordable to households with incomes up to 60% AMI. To best serve seniors on fixed incomes significantly lower than 60% AMI, projects with SARA funding should be supported with project-based rental assistance. Potential sources of subsidy include Section 8, New York City 15/15 Rental Assistance Program funding, and supportive service contracts which may also include a rental assistance component. Eligible projects may apply for project-based Section 8 vouchers through HPD or NYCHA as funding is available. Projects receiving HOME, LIHTC or rental assistance programs may be subject to additional income restrictions and monitoring during the affordability period. Formerly Homeless Units: All projects must set aside up to 30% of units for formerly homeless households. Projects may consider a supportive housing component (for example 15/15 or ESSHI) to fulfill this requirement. Such projects must have at least 30 units under the contract to be considered. Formerly homeless units must be paired with on-site social services for older adults before a finance closing can occur. Social Services Plans must lay out services at initial lease-up as well as ongoing services during building operations. Inclusionary Housing (IH) and Universal Affordability Preference (UAP): Projects are encouraged to take advantage of zoning incentive programs like IH and UAP. Satisfactory compliance with such programs will be a requirement for closing and conversion. Affordable Independent Residences for Seniors (AIRS) Units: SARA projects may choose to utilize Affordable Independent Residences for Seniors (AIRS) zoning for a portion of the project, which requires at least one member of the household be age 62 and over. However, unless otherwise agreed by HPD, SARA units for formerly homeless households should utilize alternative zoning to allow for an age restriction of 55 and over. Permanent Affordability: IH, UAP, and AIRS units shall be permanently affordable. Projects that request subsidy for IH, UAP, or AIRS units shall be required to provide an additional 15% of permanently affordable units. Additionally, for every \$1,000 per unit in subsidy provided above the term sheet maximum, projects shall be required to make an additional 1% of units affordable in perpetuity, up to a maximum of 50% of units. Providing additional permanent affordability itself does not entitle a project to additional subsidy as-of-right. Permanently affordable units shall be distributed evenly across the unit type and income mix in a manner satisfactory to HPD.
Rents and Income Limits	All units should be paired with project based rental assistance ("Rental Assistance Unit"). Initial rents for Rental Assistance Units shall be calculated in accordance with the applicable Rental Assistance program. All rents are calculated as gross rents less a utility allowance. Initial Legal Rent Setting and Section 610: All Rental Assistance Units shall have legal rents set 20% higher than the contract rent (e.g. for a S8 PBV Unit with contract rent set at 100% of FMR, Legal Rent shall be set at 120% of FMR). Legal Rent requirements set in the NYC Zoning Resolution shall take precedence for any MIH, VIH, UAP, or AIRS units. SARA Projects shall not benefit from Section 610 of the Private Housing Finance Law.
Supportive Housing	A minimum of 30 units, and a maximum of 30% of total project units, may be reserved for supportive housing under the NYC 15/15 program, or an alternate supportive housing program approved by HPD. Projects planning to participate in the NYC 15/15 must submit an application for social service funding through the NYC Human Resources Administration (HRA), and thereafter an application for rental assistance to HPD. Supportive housing units in SARA projects must be age restricted to 55 and over, rather than 62 and over. The bedroom distribution for supportive units must be approved by HPD and should be reflective of the supportive population served. Supportive units are underwritten in line with the rental assistance

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allowance of the applicable program. Supportive referrals shall be made by HRA, HPD, or an alternate referral source acceptable to HPD, and such requirement will be memorialized in a Regulatory Agreement.

Supportive Services. Tenants of supportive units must be offered on-site supportive services provided through a service provider. Supportive services shall be funded through the supportive services contract and should not be shown on the project budget. The project must dedicate a supportive services space to provide on-site services, as required in the [HPD Design Guidelines for New Construction](#).

On Site Security. 24/7 on-site security should be assumed for all projects with supportive housing units. Such security must be in addition to and separate from supportive service staff or other building service workers. 50% of this annual security budget must be supported by the supportive services budget, and the balance may be supported on the housing budget. SARA projects without NYC 15/15 units or an alternate supportive housing program may assume up to part-time security on budget.

Homeless Furnishings. At closing, Sponsor must capitalize a budget for homeless furnishings at a minimum of \$2,000 per studio homeless unit and \$3,000 per non-studio homeless unit. Such funds may be drawn upon during initial lease up to furnish the units, either to supplement other furnishing stipends or as a standalone source to furnish units. Basic Furnishings must include an adequate number of bedframes, mattresses, box springs, dressers, dining table and chairs to accommodate all tenants in the unit. Homeless Units are expected to be furnished throughout the duration of the Regulatory term. At conversion, any unspent balance from the Homeless Furnishings Budget shall be deposited into the Operating Reserve.

Non-Residential Space

Projects may include non-residential spaces that are permitted by zoning and other land use approvals, including commercial, community facility, and parking square footage. Non-residential space must be self-funded through debt leveraged from cash flow and other non-subsidy sources. To the extent lease commitments are not in place by closing, HPD will expect Sponsors to underwrite reasonable rents for such spaces justified by an appraisal. HPD may request that non-residential spaces (including community facility and parking) be divided into separate condominium units and removed from tax credit basis.

HPD Loan Amount

HPD subsidy limits are set at a per unit level identified in Table 1, below. All units within a project, including superintendent unit(s), will receive the same subsidy amount per unit. Subsidy levels listed in Table 1 are intended to be maximums; HPD expects that Sponsors will seek competitive pricing, contain costs, maximize loan sizing, and seek additional financing sources, such that Projects do not require subsidy at the term sheet limit. To reduce the subsidy need for a Project, HPD may require that Sponsor contribute cash equity, deferred developer fee, and/or a sponsor loan. Projects should only expect to receive the subsidy levels above per unit maximums in extraordinary circumstances.

HPD may allow subsidy above the term sheet maximum for projects in Limited Affordability Areas where the acquisition cost is contributing to an above term sheet subsidy request.

Table 1: Affordability Requirements and Subsidies

	4% LIHTC ≥ 120 units Subsidy Per Unit	9% LIHTC < 120 units Subsidy Per Unit
Senior Affordable Rental Apartments (SARA)	\$75,000	\$235,000

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HPD Loan Terms	Loan Authority. Projects must comply with the provisions of the applicable loan authority, to be determined at HPD's discretion. Loan Term: 30 year minimum (loan terms may vary by funding source and lending authority). All private loans must also have a minimum 30-year loan term. Interest Rate: Interest rate will be set at the Applicable Federal Rate (AFR) monthly long-term rate in effect during the month of the construction loan closing. During construction, interest will be assessed at a simple rate; after permanent conversion interest will be assessed at a monthly compounding rate. All interest shall defer and accrue and be due as part of the balloon payment upon maturity of the loan. HPD reserves the right to require a paid interest rate, or a higher deferred/accrued interest rate, on a case-by-case basis. Servicing: Up to an additional 0.25% servicing fee may be applied during construction, payable to and if required by the construction loan servicer. Amortization: Balloon payment of principal plus accrued interest. Debt Service Coverage: Minimum 1.15 on all financing. Income to Expense: Minimum of 1.05 on all financing. Maintenance and Operations Standards: All projects will be subject to HDC's Maintenance & Operating Expense Guidelines that are active at the time of closing: https://www.nychdc.com/develop. Federal Compliance: Projects funded with Federal funds require compliance with Section 3 new hires, Davis Bacon prevailing wages, and other requirements, as applicable.
Real Estate Tax Benefits	Projects may qualify for §421-a, §485-x, §420-c or Article XI property tax exemptions. See HPD Tax Credits and Incentives guidelines for more details. Projects are eligible for 420-c if at least 70% of units are funded with LIHTC. Sponsors must provide proof of any such tax exemption prior to construction loan closing. Community facility floor area may be included in an Article XI or 420-c exemption area, but must be restricted to community facility uses under Zoning Use Groups 3 or 4 for the duration of the exemption period. Parking floor area may be included in the exemption area, but the Sponsor and HPD must agree to a restriction on use of parking spaces that provides a benefit to building tenants for the duration of the exemption period. Projects may pursue an Industrial & Commercial Abatement Program (ICAP) abatement for commercial and parking areas.
Developer Fee	Project is entitled to a total developer fee which is inclusive of a paid fee and a deferred fee. Under no circumstance may total developer fee exceed the limits outlined in HPD's Qualified Allocation Plan (QAP). Paid Developer Fee. The maximum paid developer fee is up to \$50,000 per unit for the first 100 units of a project, with an additional \$20,000 per unit for the next 150 units, and an additional \$10,000 per unit for the balance of units (see Table 3 below, "Paid Fee Schedule"). At HPD's discretion, and subject to approval by the construction lender and tax credit syndicator, Developer may collect up to 25% of paid fee at construction loan closing, up to 25% of paid fee at substantial completion (typically defined as TCO) or at other construction milestones as approved by HPD, and the remaining 50% of paid fee at permanent loan conversion.

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Table 3: Paid Fee Schedule

Units	Max Paid Fee per unit
1 – 100 units	\$50,000
101 – 250 units	\$20,000
Additional units	\$10,000
* Superintendent's unit shall be considered one unit and follow paid fee sizing for project size	

Deferred Developer Fee. In addition to the paid fee, Developer may collect a deferred developer fee payable out of project cash flow and sized to no greater than 15 years of the project's net cash flow prior to collection of any asset management fees.

Reductions of Developer Fee. If a project requires subsidy financing above term sheet limits, HPD may require the paid or deferred developer fee to be reduced or additional developer fee to be deferred to reduce requested subsidy to comply with the term sheet. HPD may require removal or reduction of deferred developer fee under certain circumstances, such as on 4% LIHTC deals where deferred developer fee contributes to tax credit basis or where unencumbered cash flow is needed for cash flow sweeps or other program requirements.

Development Consultants and Owners Representatives. Where Sponsor has retained a development consultant to assist in project management and underwriting services, the cost of such development consultant must be netted out of developer fee. For non-profit Sponsors, HPD may allow owner's representative fees to be capitalized in the development budget in addition to the developer fee.

Project Reserves

All reserve accounts must be held and serviced by the project's permanent senior lender, or another financial institution approved by HPD. HPD must provide consent for reserve withdrawals, as specified in the Regulatory Agreement. Reserves must remain with the project for the duration of the regulatory period.

Operating Reserve. An Operating Reserve sized to six months of Maintenance & Operating expenses plus debt service may be capitalized in the development budget.

Replacement Reserve. A Replacement Reserve sized pursuant to the annual HDC Maintenance & Operating standards, or an alternate M&O standard acceptable to HPD, must be funded annually with appropriate annual escalation factor.

Master Lease Reserve. For projects with a Master Lease for non-residential project income (e.g. commercial, community facility, or parking income), HPD may require that Master Tenant set up a Master Lease Reserve and deposit excess income into such reserve on an annual basis. Should there be an operating loss on the Project, Master Tenant may be required to utilize any balance in the Master Lease Reserve for the benefit of the Project. Such Master Lease Reserve is also available to the Master Tenant to pay operating losses on the Master Lease. Upon expiration of the Master Lease, the Master Lease Reserve must be deposited in the Project's Operating Reserve.

Cash Flow Sweeps

Operating Reserve Sweep. Fifty percent of net cash flow, after payment of the Deferred Developer Fee, must be deposited in the Operating Reserve.

Master Lease Reserve Sweep. For projects with a Master Lease on non-residential spaces, HPD may require that up to 100% of excess non-residential income be swept into the Master Lease Reserve. Master Tenant may account for operating losses, expenses and taxes prior to the Master Lease Reserve Sweep.

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Private Land Acquisition	Acquisition costs for privately owned land will be reviewed by HPD and may be approved at the lesser of the purchase price or up to appraised value. HPD will not recognize an increased acquisition price from a private site rezoning (or may require a sellers note or sponsor loan for the difference; however, such note or loan must be in excess of any equity requirements of the program).								
Public Land Dispositions	Disposition in most cases will be for \$1 per tax lot with the balance of appraised value encumbering the site via an enforcement note and mortgage, payable upon maturity with Applicable Federal Rate compounded monthly. Regulatory Term for projects including a public land disposition are expected to have a minimum term of 60 years. The enforcement note and mortgage may be structured as a forgivable loan in return for extended affordability beyond what is required by other sources of funds. Publicly owned sites may include sites owned by HPD, other government agencies, and property owned by NYCHA. For projects selected through an RFP, the City may convey land subject to an extended affordability reverter so that title to the land will revert to the City upon the expiration of the Regulatory Term unless the parties mutually agree to an additional term of affordability. In partnership with other City agencies, public authorities, or public benefit corporations, HPD may support a ground lease disposition. In such cases, the affordability term shall be coterminous with the ground lease term, or the ground lease must provide for extensions of the affordability term up to the maximum ground lease term.								
Brownfield Cleanup Program	Sites that qualify for the New York State Brownfield Cleanup Program will be required to capitalize costs associated with the remediation work on the development budget. Sponsors will then be required to syndicate or directly purchase the associated Brownfield Tax Credits (BTC) as an equity source at permanent conversion. If projects generate BTC in excess of the BTC amount projected at construction loan closing, 50% of additional BTC credits shall be used to fund project reserves, or, on projects financed with HDC, to pay down subordinate HDC subsidy loans and interest. The remaining 50% of additional BTC credits may go to Sponsor.								
Design and Construction Requirements	Design Guidelines: New Construction projects must comply with HPD Design Guidelines for New Construction and plans must be approved by HPD. Adaptive reuse projects must comply with the HPD Design Guidelines for Preservation. Regardless of construction type, all projects should adhere to the senior housing design requirements described in the Design Guidelines for New Construction unless otherwise agreed by HPD. Unit Distribution: HPD will approve unit distribution. A 75-unit minimum is preferred. Projects have two options for unit-size distribution: <u>Option 1:</u> Projects may include a mix of studio and one-bedroom apartments. <u>Option 2:</u> Project may include a mix of studio and two-bedroom units, with approximately 20% two-bedroom units. All proposed unit mixes (Option 1 <u>or</u> Option 2) must remain within term sheet subsidy. The net square footage for all units must fall within the ranges listed herein, and as more fully described in the Design Guidelines. Projects receiving New York State Homes and Community Renewal (HCR) funding must also comply with the HCR Design Guidelines, as applicable. <table border="1"> <thead> <tr> <th>Unit Type</th><th>Net Square Footage</th></tr> </thead> <tbody> <tr> <td>Studio</td><td>350 - 400 sq. ft.</td></tr> <tr> <td>1 BR</td><td>500 - 550 sq. ft.</td></tr> <tr> <td>2 BR</td><td>650 - 725 sq. ft.</td></tr> </tbody> </table> Broadband: Broadband service must be provided for all units at no additional cost to tenants. Specifications for required broadband service are detailed on HPD's website. Construction Monitoring: HPD reserves the right to participate in construction monitoring.	Unit Type	Net Square Footage	Studio	350 - 400 sq. ft.	1 BR	500 - 550 sq. ft.	2 BR	650 - 725 sq. ft.
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	Construction Costs: HPD may at its discretion require competitive bidding for general contractors. HPD may undertake a review of construction contract costs (“cost review”) to assess reasonability of the subsidy request. Enterprise Green Communities: Projects are required to certify with the current version of the NYC Overlay of Enterprise Green Communities or LEED v4 (Gold or Platinum). Building Benchmarking: All projects will be required to retain a qualified benchmarking service provider to track utility usage for heating, electric and water. The HPD Benchmarking and Performance Tracking Protocol is available online at: https://www1.nyc.gov/site/hpd/services-and-information/benchmarking-protocol.page Ground Floor Designs: HPD also strongly encourages the incorporation of the critical success factors outlined in “Laying the Groundwork: Design Guidelines for Retail and Other Ground-Floor Uses in Mixed-Use Affordable Housing Developments”. Zoning Compliance: Projects must be in full compliance with the design requirements of all applicable laws, including, but not limited to, the <i>New York City Zoning Resolution</i>, the <i>New York City Building Code</i>, the <i>New York City Housing Maintenance code</i>, the <i>New York State Multiple Dwelling Law</i>, the <i>Fair Housing Act</i>, and <i>Section 504 of the Rehabilitation Act of 1973</i>. Resiliency: In addition to meeting New York City Building Code regulations for construction in flood hazard areas, projects are required to mitigate future projected climate change hazards related to sea level rise, stormwater flooding and extreme heat. To do so, projects must be in full compliance with the climate resiliency requirements established in Section 2 of HPD’s Design Guidelines for New Construction. To reduce extreme risks, HPD may impose additional hazard mitigation requirements. Sustainability: Projects should specifically take note of current and emerging climate laws, and ensure buildings are designed to comply. This includes LL92/94 (solar), LL154 (electric buildings) and LL41 (Climate Resiliency Design Guidelines), as well as others that post-date HPD’s Design Guidelines. All Projects must comply with HPD’s Electric Heating Policy. Resident paid heat is not permitted in SARA projects. Projects are encouraged to leverage all possible “green” incentives and tax credits. Projects that include solar are expected to underwrite 80% of projected annual savings from solar in the project’s M&O.
Fair Housing Requirements	All SARA projects must undergo review by the New York State Human Rights Commission and obtain an exemption in accordance with N.Y. Exec. Law §296-2a(e) prior to closing. Sponsors are required to comply with all applicable Federal, State, and local laws, orders, and regulations prohibiting housing discrimination in the design and construction, marketing, and ongoing operations of the building. The Sponsor must also construct the project in compliance with all laws regarding accessibility for people with disabilities, including but not limited to the New York City Building Code, the federal Fair Housing Act, the Americans With Disabilities Act, Section 504 of the Rehabilitation Act of 1973, and New York Local Law 30 of 2023. The proposed residential development program will be evaluated within the context of New York City’s commitment to affirmatively further fair housing. Consistent with the Fair Housing Act, the City and HPD implement a balanced approach to fair housing planning, taking meaningful action to address disparities in housing needs that increases access to opportunity, fosters inclusive communities, and facilitates integrated living patterns, in addition to combating discrimination, throughout New York City.
Economic Opportunity Programs	M/WBE Build Up: Projects must meet the obligations HPD’s M/WBE Build Up program and work to achieve the minimum goal amount for M/WBE hiring on contractors and subcontractors. https://www1.nyc.gov/site/hpd/services-and-information/m-wbe-build-up-program.page.

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	HireNYC: Real estate development projects receiving \$2 million or more in combined HPD subsidy and the value of City-owned land must enroll in HireNYC and comply with the obligations of the HireNYC program for local hiring. The Project's General Contract must include the HireNYC Rider. https://www1.nyc.gov/site/hpd/services-and-information/hirenyc.page Living Wage: Projects are required to comply with Living Wage requirements where applicable. Equal Opportunity: Pursuant to Executive Order 50, all Sponsors must submit required documentation to confirm equal opportunity employment practices. https://www.nyc.gov/site/hpd/services-and-information/equal-opportunity-clearance.page
Proposal Submission	For consideration, please submit project information, including: • Completed Proposal Intake Form • Proposed underwriting pro-forma (preferably submitted using the HPD template), including development and operating budgets as well as acquisition price for privately owned sites. • Other materials requested in the Proposal Intake Form, including appraisal, market comparables, schematic design plans, zoning analysis, and organizational chart. • Proposed development team (Sponsor, contactor, architect, management company), respective principals and previous development experience over the last 10 years. HPD and NYC development experience should be highlighted
Closing Requirements	Closing requirements prior to construction loan closing include (but are not limited to): • Completed and satisfactory Sponsor Review disclosure documents including the Eviction Rate Questionnaire for all applicable individuals and entities in the project. Further disclosure documentation may be required. • Completed and satisfactory Equal Opportunity documents for applicable entities, including contractors and sub-contractors, in the project. Further documentation may be required for contractors and sub-contractors on the Enhanced Contractor Review status list. • Completed and satisfactory HUD Section 3 documents for applicable entities in the project, if project is receiving federal funding, • Completed and satisfactory Campaign Finance documents for applicable individuals and organizations in the project. • Completed and satisfactory Environmental Review including, but not limited to, City Environmental Quality Review (CEQR), and/or State Environmental Quality Review Act (SEQRA), and/or National Environmental Policy Act (NEPA), as applicable, for projects with federal funding (Project Based Section 8 Vouchers, HOME Funds, etc.). Detailed environmental studies and compliance measures may be required. • Design approval or waiver provided by HPD's Building and Land Development Services. • All required design approvals and permits issued by the NYC Department of Buildings (DOB), the NYC Department of Environmental Protection (DEP), and any other City or State agencies as applicable. • All access agreements with neighboring properties needed for construction are signed and executed. • HPD may require the inclusion of an HPD rider as part of the construction contract. • Sponsor's organizational documents including W-9 forms and IRS EIN letters. • Projects with HOME funds must comply with HOME Compliance requirements. • HPD requires that the general contractor secures projects by a letter of credit for 10% of hard costs excluding contingency. Payment and Performance bond for 100% of hard costs may be accepted in lieu of letter of credit. • HPD may require that it be named beneficiary on documents, including but not limited to insurance certificates and completion guarantees.

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Fees and Closing Costs	Executive Order 50: HPD requires a fee of \$1,400 for monitoring compliance with Executive Order 50 of 1980 (as amended by Executive Order 94 of 1986, Executive Order 108 of 1986, and Executive Order 159 of 2011) which requires equal employment opportunity in New York City contracting. Prevailing Wage Monitoring: Where applicable, a fee of \$30,000 is required for projects subject to prevailing wage requirements for construction labor for the purpose of monitoring compliance with the Federal Davis Bacon Act (40 U.S.C. §3141 et seq.), State Labor Law §§220 and 230, Real Property Tax Law §421-a(8), and New York City Administrative Code §6-109, which require the payment of prevailing wages and compliance with labor standards. Construction Sign: For each building in the transaction, HPD requires a \$100 fee for a construction sign. Acquisition Fees: For public land dispositions, HPD will require payment of the acquisition cost at closing.
Marketing and Lease Up	All projects must be marketed according to HPD and HDC Marketing Guidelines and Tenant Selection Criteria. The Sponsor must submit a marketing plan for HPD's review and approval prior to marketing. All SARA projects must prioritize 10% of units for applicants who indicate that they must go up or down any stairs to reach their current residence from the sidewalk. Rent Increases: Initial actual rents for Rental Assistance Units shall be adjusted to the current FMR prior to marketing. After initial lease-up, rent increases shall be governed either by rent stabilization increases or by the administrator of the rental assistance program, if applicable. No vacancy, luxury decontrol, or rent increases pursuant to Individual Apartment Improvements (IAI) or vacancy shall be permitted for the duration of the HPD restriction period for all unit types. On an annual basis, HPD may require a certified rent roll, written certification of tenant incomes, and other supporting documentation.
Conversion	Conditions precedent to permanent loan conversion include (but are not limited to): • Evidence of rent registration with HCR in compliance with rent stabilization requirements • 95% residential rental achievement • Evidence of real estate tax benefits, including ICAP, if applicable • Temporary or Final Certificate of Occupancy from NYC Department of Buildings (DOB) • Architect's Statement post-completion regarding accessibility • Final lien waiver from General Contractor • Certificate of Completion from HPD on publicly owned sites • Certificate of Completion under the IH, UAP, or AIRS programs, as applicable • Evidence of HOME compliance, if applicable. • Removal of NYC Housing Maintenance Code, DOB and other City issued violations • Proof of compliance with other requirements as may be applicable such as HireNYC, M/WBE BuildUp, Benchmarking, etc.
HPD Contact	Senior Affordable Rental Apartments Program 100 Gold Street, Room 9C New York, NY 10038 SARA@hpd.nyc.gov

HPD, in its sole discretion, may, at any time and without prior notice, terminate the program, amend or waive compliance with any of its terms, or reject any or all proposals for funding.