

LIHTC RFP Responses:

1. **Question:** On Page 3 of the recently released RFP, it states “only projects that expect to submit applications for Low Income Housing Tax Credits by February 11, 2025 are eligible to apply to this RFP.” PHFA is accepting 4% applications on a rolling basis this year and therefore not all 4%’s will expect to submit by 2/11/25. Is any project applying for 4%’s in 2025 permitted to apply under this RFP or may only those which will submit by 2/11 apply? PHFA has a 3-step process for 4%’s and it may be difficult to get to submission of the full application by 2/11.

Question: If this RFP is open for project’s pursuing 4% LIHTC, please confirm that DHCD is not imposing a deadline to apply for 4% LIHTC by February 11, 2025, as PHFA has only imposed that deadline for 9% LIHTC projects and is accepting 4% LIHTC applications on a rolling basis.

Response: Yes, this RFP is also open to 4% projects. The deadline to submit proposals to the City for both 4% and 9% projects is Monday, December 16, 2024. At a minimum, all applications must meet threshold requirements. If you intend to apply to PHFA’s 4% RFP after February 11, 2025, please note that in your application to the City. Additionally, please list the aspects of your application you are still working on and the anticipated completion date. The City may request additional information at a later date.

2. **Question:** Is this RFP for both applicants seeking City funding to support 4% LIHTC & 9% LIHTC applications? Or just 9% LIHTC applications?

Response: Yes, this RFP is for both applicants seeking gap financing from the City to support 4% and 9% projects.

3. **Question:** Are preservation projects required to have the 10% physical disability set aside requirement? Preservation projects may be difficult to modify existing buildings to accommodate 10% physical disability.

Response: Applicants should strive to meet this requirement for preservation projects. Please refer to page 2 of the RFP to determine if your building would be considered an affordable preservation project.

4. **Question:** Please confirm if community engagement is required for preservation projects. In 2022, DHCD clarified in a Q&A response that preservation projects do not require a community engagement meeting.

Response: Community engagement is not required for affordable preservation projects as long as the building is currently serving a residential use. Please refer to page 2 of the RFP to determine if your building would be considered an affordable preservation project.

5. **Question:** Before submitting our proposal, do applicants need to attend one community meeting one year prior to this RFP release date? If so, is there any flexibility regarding this requirement?

Response: No, applicants must attend one community meeting 1 year prior to the release of the RFP. Note: the RFP release date was November 5, 2024.

6. **Question:** Is a market study required to be submitted along with the application for a preservation project with over 90% occupancy?

Response: Yes, a market study must be submitted for all affordable preservation projects regardless of their occupancy rate. If a market study cannot be provided, please explain why.

7. **Question:** We have a capital needs assessment underway, but it may not be complete by the RFP deadline. Is it possible to submit the full CNA as a follow up after the December 16th deadline?

Response: No, a capital needs assessment must be submitted to properly evaluate the competitiveness of the proposed project.

8. **Question:** Do applicants need to submit floor plans for preservation projects? Some projects do not require major alterations to the floor plans.

Response: No, applicants are not required to submit floor plans for affordable preservation projects, especially those that are not substantially altering the existing layout of units/common spaces. If floor plans are available or can be completed before the submission date, the City highly recommends that they are included. Additionally,

floor plans, site plans and renderings will help determine the competitiveness of the application and illustrate the affordable luxury features of the proposed project.

9. **Question:** Is there a requirement for union labor to perform the work if receiving City funding?

Response: No, awarded projects are not required to contract with union labor to perform the work. However, the City requires that prevailing wage rates are paid to subcontractors. More information on the City's prevailing wage requirements can be found here: <https://www.phila.gov/documents/city-prevailing-wage-rates/>.