



**Insurance Risk Consultant
Questions and Answers**
Posted 4/29/2026

Major themes from respondent questions

Across question submissions, questions clustered around seven themes. Below are summaries of HDC's answers to these questions. The full Q&A begins on page 3.

1. Program structure and capital framework. The City has not settled on a preferred structure (captive, reciprocal, risk pool, RRG, hybrid, ART) or solvency framework (RBC, rating-agency analog). Nothing has been pre-selected. The consultant should evaluate options under Workstream D / D4 against the program's stated goals (premium savings of 20%-30%, sound underwriting, a strong balance sheet, financial self-sustainability, and the ability to scale to roughly 100,000 units by 2030) and surface tradeoffs, including the structural and contractual safeguards needed to protect underwriting discipline.

2. Loss-run data collection. HDC does not currently hold loss-run data for properties in its portfolio. The working plan is for HDC and HPD to lead initial outreach to property owners or managers using existing portfolio relationships; the consultant leads on QA and produces Deliverable 1; collection proceeds in two stages, a 40-property pilot followed by a representative sample of 200+ properties. HDC's portfolio data should complement the loss-run data. This is our starting proposal. Respondents should pressure-test the approach and propose changes they believe would produce a stronger analytical dataset.

3. Data analysis: baseline vs. operational scope. The Workstream A data effort and the Deliverable 6 framework are not intended to serve as the operational architecture for the program. The objective of the analysis at this stage is to establish an actuarial baseline for planning and analysis using real property-level data from a representative sample of properties in the HDC/HPD portfolio and supplemented by additional data as needed. The baseline is intended to support program design, capital framework, reinsurance strategy, and the RFEI procurement. The actual underwriting of risks will not happen until the program is stood up, which the RFEI is responsible for designing. The RFEI awardee will design and stand up the operational data pipeline and underwriting-grade collection.

4. Program participants and scope: properties, lines, perils. The program is intended to serve multifamily affordable and rent-regulated housing in NYC. While the analytical sample is concentrated on HDC/HPD-financed properties, the program itself will be open to any multifamily affordable or rent regulated building meeting underwriting standards. The program is being designed as a property and general liability insurance program. Catastrophic perils sit within the property analysis and should be addressed. Respondents may flag adjacent lines that warrant further consideration, but the core engagement scope is property and general liability.

5. Open-format deliverables, IP ownership, and catastrophe modeling. The RFP says deliverables cannot rely on proprietary, commercial, or SaaS tools that require ongoing fees or access. This touches at least three areas: catastrophe modeling, modeling environments, and the line between the consultant's pre-existing tools (Background IP) and what gets built during the engagement (Project IP). Respondents may use proprietary tools and deliver outputs, code, parameters, and documentation in open formats, subject to prior written approval and clear delineation of what is delivered versus what remains licensed. Project deliverables become HDC's property; the model HDC receives must run end-to-end without ongoing licenses.

6. Conflict of interest and RFEI participation. Selected consultants may pursue the RFEI subject to a mitigation plan reviewed by EDC. The technical requirements and scoring rubric (Deliverable 5) must be authored by personnel certified as segregated from any RFEI-response team. Substantive evaluation, scoring, ranking, interview, or negotiation on RFEI submissions is barred for any selected consultant whose firm or affiliate responds.

7. Budget, sequencing, and RFEI runway. Our budget expectation for this engagement is \$350,000, and we are asking respondents to itemize pricing by workstream and deliverable so we can calibrate the final scope to that envelope. Where respondents see opportunities to prioritize or sequence deliverables for greater efficiency, those recommendations are welcome in the response. The engagement covers all six workstreams plus ad hoc support during the RFEI procurement window (months 8-12). Deliverables develop iteratively against the RFEI, targeted for issuance in early June, with Deliverable 1 and Deliverable 5 running in parallel from Day 1.

Detailed Q&A

Detailed responses follow, grouped by anonymized respondent so each firm's questions appear together.

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Respondent A

1. Are the Monday, May 11 finalist interviews expected to be held in person, virtual, or hybrid? If they are in person, will they take place in New York City?

The interviews will be virtual.

2. How does HDC define "affordable housing" for purposes of this program? For example, would mixed-income buildings qualify, and is there a minimum percentage of affordable units required (e.g. 20%)?

The program is intended to serve multifamily affordable and rent-regulated housing in New York City, with a focus on buildings with a substantial proportion of units that provide affordable housing for low-income New Yorkers.

For the purposes of this program, "affordable housing" means regulated affordable multifamily projects constructed, rehabilitated, or otherwise assisted through discretionary use of City or federal resources, including but not limited to loans and tax exemptions. This includes Mitchell-Lama developments and HDHC affordable cooperatives.

"Rent-regulated housing" means apartments subject to New York State's rent stabilization or rent control systems, administered by New York State Homes and Community Renewal (HCR). Rent stabilization generally covers buildings with six or more units constructed before January 1, 1974, and newer buildings receiving certain tax benefits for the duration of those benefits. Rent control is significantly smaller, covering roughly 25,000 apartments.

Public housing (Section 9) owned by the New York City Housing Authority (NYCHA), a separate legal entity from the City of New York, is not eligible for this program. Note that the City of New York itself owns very little housing directly.

3. What is the expected composition of properties included in the initial phase of the program (e.g. HDC/HPD-financed properties versus other rent-regulated housing)?

The program will be open to eligible buildings meeting the underwriting standards necessary to ensure the program can deliver on its goals.

4. Which lines of coverage are in scope for the analysis (e.g. property, flood, general liability, umbrella), and should respondents assume a bundled or line-by-line approach?

Property and general liability are in scope. For purposes of the consultant's analysis under this RFP, work should be performed line-by-line so HDC, HPD, and EDC can evaluate each line on its own merits. The program itself should give policyholders the option to bundle property and general liability if they prefer, but our expectation is that bundling should not be mandatory.

4a. Please provide details on the City's current insurance structure including coverages purchased, total insured value, number of insured properties, limits, deductibles, etc.

As a lender, HDC requires its borrowers to maintain insurance in connection with HDC-financed properties. Attached as an appendix are the insurance guidelines HDC shares with prospective borrowers.

HDC is named as an additional insured on policies covering the properties in its portfolio, and for a subset of properties, HDC escrows insurance costs alongside mortgage payments. The consultant should advise on whether HDC's additional insured status and existing escrow records can streamline collection of current and historical policy data, and what steps remain to assemble a complete, analytically usable dataset.

5. Should respondents evaluate program structures broadly (e.g. captive, risk pool, hybrid), or are there specific structures the City is prioritizing?

The City has no structural preference yet. As part of the proposal submission, respondents should describe their approach to Workstream D and Deliverable 4, which includes an evaluation of different program structures.

6. Beyond premium reduction, what are the most important objectives for the program (e.g. market stability, insurer participation, risk mitigation, long-term scalability)?

Beyond premium reduction of 20%-30%, the program's objectives are:

- i. A financially self-sustaining program with a strong balance sheet, supported by sound underwriting, disciplined risk mitigation, and the ability to sustain itself without further City investment beyond the initial commitment
- ii. Capable of scaling to serve a significant share of the affordable and rent-stabilized housing stock over time (100,000 units by 2030)
- iii. High-quality coverage in line with HPD and HDC requirements
- iv. Meaningful City participation in governance

7. What level of participation or scale should be assumed for initial modeling (e.g. target number of properties or % of eligible units)?

20,000 units should be assumed by the end of 2027, with steady growth to 100,000 units by 2030.

8. How prescriptive should respondents be in defining capital adequacy and stress testing standards versus aligning to any preferred frameworks?

Respondents should be prescriptive. Defining capital adequacy and stress testing standards is core consultant expertise, and proposals should set out the frameworks the respondent believes best fit a program of this scale and risk profile. The RFP references 1-in-100 and 1-in-250 as illustrative solvency standards under Workstream C / Deliverable 3, but final standards will be agreed with HDC, HPD, and EDC during the engagement.

9. What level of involvement is expected from the selected consultant during the RFEI phase (e.g. drafting requirements, evaluating responses, supporting negotiations)?

The selected consultant is expected to be substantively involved across the full RFEI phase, as set out in Workstream E and Deliverable 5:

- i. Drafting RFEI technical requirements, minimum disclosures, pricing expectations, and reinsurance standards
- ii. Producing the evaluation and scoring framework for consistent comparison of proposals
- iii. Providing technical support during the procurement, including Q&A, proposal review sessions, and negotiation support as requested by HDC, HPD, and EDC

- iv. RFEI evaluation, scoring, or negotiation is contingent on conflict-of-interest standing. Per the RFP, selected consultants (or affiliates) intending to respond to the RFEI may assist with background analysis and RFEI scope and technical requirements, but may not participate in any substantive review, analysis, scoring, recommendation, interview, negotiation, or other advisory work concerning RFEI submissions.

10. Is catastrophe modeling expected to be within scope of the actuarial analysis? If so, which perils should respondents consider (e.g. flood, wind, earthquake, terrorism), and are there any preferred modeling approaches, vendor models, or regulatory/modeling standards (e.g. NAIC, rating agency, or City-specific requirements) that should guide the analysis?

Yes. Analysis of catastrophic events is expected within scope and should include, at a minimum, flood, wind, earthquake, and terrorism. The objective at this stage is to establish a baseline for planning and analysis using real property-level data. HDC is not prescribing methodology or a vendor model. Respondents should propose the approach they believe produces credible property-level loss estimates in outputs accepted by regulators and rating agencies. Outputs, parameters, methodology, and documentation must be delivered to HDC in open, non-proprietary formats consistent with the RFP, and any subcontractors are bound by the same requirements.

Respondent B

1. Will the HDC share the evaluation sheet and perform a debriefing if requested at the end of the process?

HDC may decide to conduct debriefings at its discretion.

2. To whom should the cover letter be addressed?

Insurance Risk Consultant RFP Review Team.

3. Could the HDC provide the criteria it will use to evaluate bidders?

Respondents will be evaluated according to the overall quality of their submission, their experience and qualifications, the value-add of their workstream proposals compared to competing responses or what the Insurance Risk Consultant RFP Review Team could produce internally, and the quality of their proposed deliverables.

4. Is the required interview anticipated to be virtual or in-person?

The interviews will be virtual.

5. Would a firm's lack of a New York presence negatively affect its eligibility or evaluation under this RFP? If so, how?

No. Selection is driven by team strength, technical approach, and ability to deliver on the scope. That said, the program operates within a New York-specific regulatory and market environment, and respondents should demonstrate either direct experience or a credible plan for engaging the necessary expertise. The Appendix D questions on NYC presence are standard procurement disclosures, not a threshold criterion.

6. The RFP states that consultants should coordinate with the HDC on any materials that may be subject to FOIL. If bidders include information within their proposal that they

believe is exempt from public records laws, how should they mark the information as such (e.g., EEO-1 reports)?

Respondents should mark exempt portions and submit a written justification under POL § 87(2)(d). Designations of 'confidential' do not by themselves establish exemption. HDC, in its absolute and sole discretion without notice or consent of respondent, shall make the final determination consistent with applicable law.

7. Please clarify the agencies' expectations regarding catastrophe modeling. Specifically, should respondents assume that catastrophe model output or related catastrophe exposure analytics will be provided by HDC or another party, or should respondents include access to third-party catastrophe modeling resources within their scope? If third-party catastrophe modeling resources are expected, may respondents identify those costs separately rather than treating them as included within the core consulting fee?

HDC is not prescribing a methodology or vendor model. Respondents should propose the approach they believe produces credible property-level loss estimates, including catastrophe perils (flood, wind, earthquake, terrorism at minimum), in outputs accepted by regulators and rating agencies.

Any third-party catastrophe modeling resources or licensing fees should be itemized separately within the overall pricing breakdown by workstream and deliverable. The itemized breakdown allows us to understand the proposed approach and to work with the selected respondent on scope and sequencing as the engagement is finalized. Respondents should specify what is included, the associated cost, and whether the resulting outputs and underlying parameters can be delivered to HDC consistent with the IP, data ownership, and model reuse provisions in the RFP.

Respondent C

Theme 1: Data availability and authority

1.1. Insurer compulsion and the DFS channel

Operators can contractually request their own loss data from their carriers, but this process is operator-mediated, slow, and imperfect. We would like to understand HDC's thinking about direct data channels: does the City have any authority to request loss data directly from insurers serving NYC affordable housing, either through HDC's regulatory role over HDC-financed properties or potentially through the NYS Department of Financial Services' market conduct authority? We note the inherent tension (the City is designing what will effectively compete with these insurers) and ask about the legal and political framing HDC sees as workable.

The respondent's working assumption is essentially correct. Data collection will primarily run through operator-mediated channels using owners' contractual rights to their own loss runs, supported by HDC's relationships and program participation incentives. Respondents should not assume a direct insurer-to-City data channel at engagement start.

That said, HDC is named as an additional insured on policies covering the properties in its portfolio, and we look to the consultant for advice on whether and how that status can be leveraged to streamline access to current and historical policy and loss information.

1.2. Existing HDC data holdings

HDC already has data on HDC-financed buildings: financial statements, regulatory agreement terms, physical condition data, development history. What of this data can be made available for the analytical dataset? Can HDC pre-populate portions of the operator-facing template so operators confirm rather than originate those fields? This materially affects submission burden on operators and the quality of submitted data.

Yes. HDC and HPD have existing, validated portfolio data on affordable properties, including building characteristics, physical condition, and financial performance indicators, that we expect will be useful for underwriting and that we plan to incorporate into the analysis. Since these fields already exist, we do not plan to collect them as part of this engagement. For properties outside the HDC/HPD-financed portfolio, we would work with the consultant to evaluate whether and how public records on rent-regulated housing can supplement standard underwriting criteria. The consultant should propose an approach for integrating these data sources into the actuarial dataset and underwriting framework.

1.3. FOIL protections and confidentiality framework

Submitted data includes business-sensitive information: claims history, coverage structure, premium, carrier relationships, and financial metrics. Operators will need assurance about confidentiality before submitting. What FOIL (Freedom of Information Law) protections can HDC extend to participant-submitted data? Are there existing legal mechanisms (NDA frameworks, exempt categories) HDC has used for comparable data collection in other programs? Resolution of this question is likely a precondition to broad operator participation.

HDC's existing data confidentiality policies will apply to all data collected throughout this engagement, consistent with HDC's current standards and obligations. Under FOIL law, any HDC borrower's personally identifiable information (PII) is redacted, protecting borrower confidentiality. Respondents are welcome to describe additional data protections they believe will facilitate broad operator participation as part of their submission.

1.4. Completeness-tied incentive structure

Voluntary data submission typically produces minimum-effort compliance unless participation terms provide direct incentives. If HDC is open to tying differential program treatment to submission quality (for example, better pricing terms, priority in program admission, or waivers on certain requirements for operators providing complete data), this materially improves data quality without additional enforcement apparatus. Is such a structure compatible with HDC's program design philosophy?

HDC is open to proposals along these lines and views incentive structures that drive early participation favorably. Linking program treatment to data submission quality is conceptually consistent with the incentive-based approach contemplated under Workstream D, where deductibles, premium credits, underwriting standards, and risk management controls are core levers for shaping participation and managing adverse selection over time. Whether and how such a structure can be operationalized will depend on what is permissible under our regulatory agreements as well as a range of other factors to be discussed as part of the engagement. Respondents should detail the incentives they recommend and how to operationalize them as part of their proposal.

1.5. Industry benchmark data access: ISO, HAI, others

Where operator-specific loss experience is limited, the analysis will rely meaningfully on industry benchmarks and credibility complements. We plan to catalog and use ISO / Verisk statistical plan data (advisory loss costs, size-of-loss distributions, development patterns, circulars) where the relevant products are accessible. For the affordable housing sector specifically, HAI Group publishes nuclear verdict tracking and related benchmarks, but the scope of their publicly or member-accessible loss cost benchmarks for non-members is unclear to us. Does HDC have existing relationships or access pathways to these data providers that could support the engagement, or should we scope licensing separately?

HDC does not have existing relationships or access to this resource. Respondents should scope access in their proposal if they believe this will be critical to address gaps in the data as needed.

Theme 2: Engagement scope and sample definition

2.1. Sample definition and program eligibility

The early submission template is designed to accommodate a range of affordable housing operators: HDC-financed, other subsidized, rent-regulated, mixed. Is the analytical sample for the program design restricted to HDC-financed buildings only, or does it include the broader NYC affordable housing population? Related: will the City-backed program itself be restricted to HDC-financed properties, open to all regulated affordable housing, or calibrated to a specific depth of affordability (e.g., percentage of AMI-restricted units)?

The RFP data collection and actuarial analysis will rely principally on HDC-financed properties, because HDC's relationships, data infrastructure, and institutional reach make collection from that population the most realistic path to a robust analytical sample early in the RFP engagement. The program itself, however, will be open to any owner of affordable or rent-stabilized housing in New York City that meets the underwriting standards. Therefore the data collection template should still accommodate the broader rent-regulated and affordable housing population from the outset.

2.2. Catastrophe modeling and the proprietary-software clause

The RFP prohibits 'proprietary, commercial, or SaaS-based dependencies that would require ongoing fees, subscriptions, or third-party access' in deliverables. This has specific implications for catastrophe exposure modeling: the standard tools for NYC-relevant perils (wind, coastal flood, fluvial flood, earthquake) are licensed proprietary products. We see two workable approaches within the RFP constraint: (a) use licensed cat models during our analysis to derive parameters and loss estimates, delivering results and methodology to HDC as deliverables that do not require ongoing licenses; or (b) build parametric cat load methodology using public data (FEMA flood maps, NOAA historical events) that HDC can replicate independently. Both have tradeoffs. Which does HDC prefer, or is there flexibility for case-by-case approval?

HDC is interested in the consultant's recommendation given the tradeoffs involved. Using licensed catastrophe models during the analysis to derive parameters and loss estimates, and delivering the resulting methodology, parameters, outputs, and documentation in a form that does not require ongoing licenses is consistent with the RFP, subject to prior written approval and clear documentation of what is being delivered versus what remains licensed to the vendor. A public-data-driven parametric cat load methodology that can be replicated end-to-end without proprietary tooling is also consistent with the RFP and offers different tradeoffs.

The catastrophe analysis is part of the baseline that anchors the program's capital framework, reinsurance strategy, and RFEI technical requirements. Deliverables should be sufficient for those purposes and structured for handoff to the RFEI awardee. Respondents should propose the approach they consider best for New York City affordable and rent-stabilized housing, with tradeoffs surfaced explicitly. A hybrid approach — licensed cat model output to anchor the baseline with a public-data overlay — is also acceptable to propose. The final approach will be agreed with HDC before substantive work begins.

Theme 3: Operational considerations

3.1. Broker-assisted versus operator-direct submission

Operators rarely hold their own structured loss data; the data typically sits with brokers, who assemble it annually for renewal and have the working relationship with carriers. Our template is designed to be completable by either operators or brokers on their behalf. For submission logistics, does HDC have a preference or expectation about the primary submission channel? Broker-submitted data tends to be more complete and consistent; operator-submitted data ensures operator awareness and signoff.

HDC does not have a fixed preference. Our planning assumption to date has been direct outreach to property owners (~40-property pilot, scaling to 200+). We would value the consultant's advice on whether broker-assisted submission with operator signoff is preferable, and what adjustments to the template, outreach, or sequencing would be needed to operationalize it.

3.2. HDC data engineering capacity for intake processing

Intake-and-cleaning of operator submissions across a multi-operator portfolio is substantial work: format normalization across heterogeneous carrier loss runs, reconciliation of structured template data against carrier-native dec pages and claim files, follow-up correspondence with operators and brokers on missing or ambiguous entries, and validation passes against external sources. We would like to understand how HDC envisions this work being staffed: as primarily consultant-team responsibility, as a shared effort with HDC operational support, or with a defined role for third-party intake services. The answer materially affects engagement scoping and timeline.

HDC and HPD will lead initial outreach, leveraging existing portfolio relationships. The consultant leads on data quality assurance and produces the D1 data quality memo. Follow-up on gaps is a joint effort. Third-party intake services are not contemplated; subcontractor support is permitted within the RFP's budget guidance, with the consultant retaining responsibility for the analytical work product.

The data acquisition under this RFP is one-time baseline collection on a defined sample, intended to support program design, capital framework, reinsurance strategy, and the RFEI procurement. It does not involve creating a data ingestion pipeline the program will need over time. The RFEI awardee will design and stand up that pipeline as part of program operations. Respondents should propose a staffing model calibrated to a one-time effort, not an ongoing intake.

3.3. Data collection timeline and iteration expectations

Loss-run collection typically requires multiple iterations per operator: initial request, first submission, validation review and follow-up questions, revised submission, closure. For a population of operators with diverse broker and carrier relationships, this process

realistically spans four to six months from engagement start to reasonably complete data. Does HDC have expectations or constraints on the data collection timeline that we should build the engagement plan around? Early availability of partial data supports preliminary analysis but cannot substitute for the full dataset in later phases.

Important clarification: the data collection contemplated under this RFP is for establishing a *baseline* sufficient to support program design, capital framework, reinsurance strategy, and the RFEI procurement. It is not the operational loss-run collection that will be needed to underwrite individual policies. The full underwriting-grade data collection will be the responsibility of the operating entity selected through the EDC RFEI, once the program is structured and stood up. This distinction should shape both the scope and the timeline expectations for the consultant's data work.

That said, the baseline dataset and the analytical work it supports must be substantively in place by the time the RFEI respondent begins its work. The RFEI is targeted for issuance in early June, with selection in the fourth quarter of 2026; the operating entity will need a credible actuarial baseline and program design framework to anchor its own underwriting build-out and full-scale data collection. Respondents should propose a sequencing that ensures the baseline analysis is sufficiently developed to hand off to the RFEI awardee on selection and no later than year-end 2026.

3.4. Ongoing data flow post-engagement

Once the City-backed program is operational, ongoing loss experience from program-covered losses becomes the primary data source, supplementing or replacing the initial operator-submitted history. The architecture and governance of this ongoing data flow is not explicitly addressed in the Workstream A scope but is a natural extension. Does HDC intend for the consultant selected for Workstream A to scope this ongoing architecture, or will it be addressed in a separate engagement?

The Deliverable 6 framework is intended to inform the RFEI and shape its requirements. It is not intended to serve as the required operating system for the RFEI winner.

Respondent D

1. Is there going to be any oversight by the HDC/HPD for collection and quality assurance of the data?

Yes. HDC and HPD have established relationships with property managers and owners across the affordable and rent-stabilized portfolio, and we expect to take a leading role in facilitating outreach and ingestion into HDC's existing database, coordinating with property managers, and helping resolve gaps in source data.

The consultant, however, is expected to take the leading role in designing data collection and quality assurance. This includes creating a standardized template for collecting loss-run data from property owners, providing a QA framework, validating and reconciling the data received, documenting limitations and adjustments, and producing the data quality memo contemplated under Workstream A and Deliverable 1. HDC and HPD will support this work and review outputs, but the analytical responsibility for QA sits with the consultant.

Once the data collection effort to support baseline program design, capital framework, and reinsurance strategy is complete (intended completion by end of year 2026), data collection efforts will shift to the selected RFEI respondent for underwriting individual policies. HDC's involvement is expected to taper during this transition.

2. Does the HDC/HPD have access to, or the ability to gain access to, the current and historical commercial insurance policies purchased by the various entities?

HDC and HPD do not currently hold loss-run data for any properties in the portfolio. Respondents should plan their workplan and staffing on the assumption that loss-run data must be collected from property owners and managers using the template developed under Workstream A.

That said, HDC has policy-level information on file for a subset of properties. HDC is named as an additional insured on policies covering the properties in its portfolio, and for a subset of properties, HDC escrows insurance costs alongside mortgage payments. The consultant should advise on whether HDC's status as additional insured, together with the escrow-related information already on file, can be used to streamline collection of current and historical policy information, and on what additional steps would be required to assemble a complete and analytically usable dataset.

3. What time frame would apply for the goal of scaling from serving the current population served by HDC and HPD (where HDC and HPD are the lender) to the broader addressable market?

The published targets are roughly 20,000 homes at launch in 2027, scaling to approximately 100,000 homes by 2030. The full addressable market, including all affordable, HDC- and HPD-financed, and rent-stabilized housing, exceeds one million units across New York City.

Scaling is governed by underwriting discipline, capital adequacy, claims experience, and reinsurance market support, not by a predetermined sequencing of segments. Eligibility extends to any owner of affordable or rent-stabilized housing in New York City that meets the program's underwriting standards. The consultant's work should support expansion across the addressable market over time, with scenario functionality to evaluate different participation mixes and scales.

4. Does HDC / HPD have loan requirements which can be shared?

Attached as an appendix are HDC's insurance guidelines that are shared with prospective borrowers.

5. Contract Terms: If awarded the RFP, will the selected respondent be permitted to reserve the right to negotiate contract terms and conditions that are included on page 9?

Yes, there will be contract negotiations with the finalist.

6. Interviews: Interviews are scheduled for Monday, May 11. Will interviews be conducted in person in NYC, or virtually (e.g., Microsoft Teams or Zoom)?

The interviews will be virtual.

7. Vendor Registration: Will respondents be required to register in the City’s VENDEX system or an alternative vendor portal prior to RFP submission?

No, registration in VENDEX or an alternative vendor portal is not required for RFP submission. That said, respondents should disclose any background, integrity, or compliance issues, including the kinds of matters that would surface in a VENDEX review (for example, prior debarments, integrity findings, material litigation, or regulatory actions), as part of the conflict-of-interest and disclosure requirements in the RFP. HDC may consider such matters in evaluation and reserves the right to request additional information during diligence.

8. The RFP does not specify invoicing procedures or payment terms. Can the City please outline their payment terms and invoicing requirements?

Specific invoicing procedures will be set out in the final engagement letter or form of contract. The RFP requires the following pricing and cost information from respondents:

Pricing must be submitted in both of the following formats:

- Fixed-fee, with milestone-based payments aligned to deliverables D1–D6
- Time-and-materials (T&M) with a not-to-exceed cap, including hourly rates, role assumptions, and estimated hours by workstream

Required cost breakdown:

- Total price by workstream (A–F) and by deliverable (D1–D6)
- Labor categories, hourly rates (for T&M), and expected level of effort
- Proposed subcontractor costs (with scopes)

Respondent E

1. What insurance products are under consideration for this effort? Is there a notion of a minimum viable product (MVP) of covering the common business interruption, physical damage, and liability coverages, or does this need to be more expansive and include coverage for casualty lines like workers' comp, etc? What about catastrophic perils like hurricane, SCS, and flood?

The program is being designed as a property and general liability insurance program, consistent with the executive summary of the RFP and Workstream B's anticipated scope. Refer to the insurance guidelines in the appendix for additional information related to coverage terms.

Respondents may flag adjacent lines that warrant further consideration, but the core engagement scope is property and general liability.

Catastrophic perils, including hurricane, SCS, and flood, are within scope of the property analysis. The consultant should evaluate how these perils are best addressed across program design, reinsurance, public mechanisms, and parametric structures, with the analysis reflected in the scenario, capital, and stress testing framework under D3.

2. Will the HDC or other agencies be able to correlate data already collected such as risk management practices and maintenance plans that may provide underwriting value? For example we understand that HPD uses data collection to monitor the physical and financial health of its affordable portfolio through efforts such as Asset Management Risk Metrics, Housing Quality Standards (HQS) and Alternative Enforcement Program (AEP).

Yes. HDC and HPD have existing portfolio data on affordable properties — including building characteristics, physical condition, and financial performance indicators — that we expect will be useful for underwriting and that we plan to incorporate into the analysis. For properties outside the HDC/HPD-financed portfolio, we would work with the consultant to evaluate whether and how public records on rent-regulated housing can supplement standard underwriting criteria. The consultant should propose an approach for integrating these data sources into the actuarial dataset and underwriting framework.

3. Will the HDC or other agencies be furnishing contact information for the selected consultant to canvas from?

HDC and HPD intend to take a leading role in initial outreach, leveraging existing relationships with owners and managers, and will coordinate with the consultant on sequencing, messaging, and any direct outreach the consultant conducts.

Respondent F

RFP General

1. What kind of work samples are of interest?

Work samples should demonstrate capabilities directly relevant to the scope. For example: actuarial baseline reports, capital and stress testing analyses, reinsurance design or feasibility studies, RFEI/RFP technical packages or scoring frameworks, and data infrastructure or governance frameworks for risk-financing programs. Public-sector, captive, reciprocal, or risk pool work is of particular interest. Respondents should redact excerpts as HDC is subject to FOIL.

2. Is MS Excel an acceptable format for submitting models or other analytical deliverables?

A fully functional model built in Excel can be acceptable, provided it meets HDC's transparency, reproducibility, and IP requirements, including no reliance on Excel VBAs, macros, or proprietary or SaaS-based dependencies without prior written approval. An Excel-based output or interface that sits on top of an underlying model built in another environment is not sufficient by itself. The underlying model must be delivered in a form HDC can run and modify end-to-end, unless explicitly approved in writing by HDC. R remains HDC's preferred environment, with Python or similar pre-approved languages also acceptable.

3. What historical data will be available and in what format? How many years of history are expected (e.g., 5, 7, 10 years)?

HDC and HPD do not currently hold loss-run data; loss and exposure data will be collected from property owners and managers using the template developed by the consultant under Workstream A, and respondents should propose the look-back period they consider analytically necessary.

Separately, HDC's administrative data on properties in its portfolio, including building characteristics, physical condition, and financial performance indicators, often extends ten or more years and is expected to complement the loss-run data once collected. The consultant's data quality memo (D1) should document coverage, gaps, and limitations across both sources.

A. Program Objectives & Policy Constraints

1. What definition of “affordable and rent-regulated housing” should be applied for analysis (e.g., HPD-regulated only, inclusion of Mitchell-Lama, NYCHA exclusions)?

The program is intended to serve multifamily affordable and rent-regulated housing in New York City, with a focus on buildings with a substantial proportion of units that provide affordable housing for low-income New Yorkers.

For the purposes of this program, "affordable housing" means regulated affordable multifamily projects constructed, rehabilitated, or otherwise assisted through discretionary use of City or federal resources, including but not limited to loans and tax exemptions. This includes Mitchell-Lama developments and HDFC affordable cooperatives.

"Rent-regulated housing" means apartments subject to New York State's rent stabilization or rent control systems, administered by New York State Homes and Community Renewal. Rent stabilization generally covers buildings with six or more units constructed before January 1, 1974, and newer buildings receiving certain tax benefits for the duration of those benefits. Rent control is significantly smaller, covering roughly 25,000 apartments.

Public housing (Section 9) owned by the New York City Housing Authority (NYCHA), a separate legal entity from the City of New York, is not eligible for this program. Note that the City of New York itself owns very little housing directly.

2. Are there specific policy constraints (e.g., premium caps, cross-subsidization limits, equity objectives) that should be assumed when evaluating program structures?

There are no premium caps, cross-subsidization mandates, or fixed equity allocations that should be assumed at this stage. The program is not intended to operate as an insurer of last resort, and pricing is expected to be actuarially sound rather than capped or subsidized at the policy level.

Respondents should evaluate program structures against the program's stated objectives: premium savings of 20 to 30 percent, sound underwriting and risk mitigation, sound governance, incentives to reduce loss events, and a financially self-sustaining program with a strong balance sheet, rather than against predefined policy constraints. Where structural choices implicate cross-subsidization, equity, or pricing tradeoffs, the consultant should surface those tradeoffs and quantify them, so that HDC and its agency partners can evaluate them on their merits.

3. Are specialty coverages excluded (Flood, Wind/Hurricane, Earthquake, etc)?

No specialty coverages are excluded from the scope of analysis at this stage, see insurance guidelines in the appendix for reference. The consultant's actuarial, capital, and reinsurance work under Workstreams B, C, and D should evaluate exposure to catastrophic and specialty perils and recommend how each is best addressed within the program design. Options to consider include direct coverage within the program, reinsurance and catastrophe overlays, parametric structures, public mechanisms (e.g., NFIP for flood), or a combination. Final coverage scope will be informed by the actuarial baseline, capital adequacy analysis, reinsurance market appetite, and the program's stated objectives.

4. What are the typical limits for the expiring policies?

Please refer to HDC's insurance guidelines in the appendix.

5. Are there mandated limits/SIRs on the policies in place?

Please refer to HDC's insurance guidelines in the appendix.

6. Can you share a copy of loan documents?

HDC's insurance guidelines in the appendix may provide the insight you are looking for. For additional reference, digital copies of regulatory agreements, mortgages, and deeds for HDC- and HPD-financed properties are publicly available through the City's Automated City Register Information System (ACRIS) at <https://a836-acris.nyc.gov/CP/>. Documents can be searched by party name (e.g., "New York City Housing Development Corporation"), property parcel identifier (borough, block, and lot), document ID, or document type.

7. Can you share a copy of regulatory agreements?

Please see the answer above.

8. Can you share the current policies?

HDC has policy-level information on file for a subset of properties. HDC is named as an additional insured on policies covering the properties in its portfolio, and for a subset of properties HDC escrows insurance costs alongside mortgage payments. The consultant should advise on whether HDC's status as additional insured, together with the escrow-related information already on file, can be used to streamline collection of current and historical policy information, and on what additional steps would be required to assemble a complete and analytically usable dataset.

9. Can you send us a copy of the Application form that the underwriters are currently using?

No, we do not have these forms as we are the lender. Coverage is currently provided by a number of carriers, each with their own application.

10. What policy structures are you looking to offer?

The policy structure has not been pre-determined. Evaluating the appropriate policy form (master, scheduled, blanket, individual, layered, or some combination) is part of the consultant's work under Workstreams B and D. The RFEI will further define the operational structure, with the operating entity proposing specific forms.

11. Do the property owners purchase separate Commercial Property and Commercial General Liability coverages? Or do they purchase a package policy (Comm Prop + Comm GL)?

Property owners typically purchase separate property and general liability policies, though package policies are generally accepted.

12. Is the intent for this to be mandated coverage? Could we mandate this offering on all borrowers of HDC/HPD loans in attempt to control adverse selection?

Our expectation is that participation be voluntary and that the program be designed to compete on its merits. The program is designed to compete on its merits. Owners should choose it because it offers better pricing, better coverage, or both, relative to the commercial market. Respondents should detail their approach to managing adverse selection in their proposal.

13. What percentage of the target market is privately owned?

100% of the target market is privately owned. Affordable housing is privately owned but financed and regulated by HPD and HDC.

14. Is the target location confined to the 5 boroughs?

Yes.

15. Can you provide a breakdown of the TIV by location and property type?

HDC does not currently maintain a systematic database of Total Insured Value (TIV) by location and property type across the affordable and rent-stabilized portfolio. The data collection contemplated under Workstream A is intended to assemble a representative baseline (not the operational data infrastructure for the program itself, which the RFEI respondent will design and stand up). HDC welcomes the consultant's advice on how best to construct a TIV view at this stage given available data sources and the analytical objectives.

16. What types of buildings are included– single family homes, apartments, condos?

The program is intended to serve multifamily affordable and rent-regulated housing in New York City, with a focus on buildings with a substantial proportion of units that provide affordable housing for low-income New Yorkers.

For the purposes of this program, "affordable housing" means regulated affordable multifamily projects constructed, rehabilitated, or otherwise assisted through discretionary use of City or federal resources, including but not limited to loans and tax exemptions. This includes Mitchell-Lama developments and HDFC affordable cooperatives.

"Rent-regulated housing" means apartments subject to New York State's rent stabilization or rent control systems, administered by New York State Homes and Community Renewal (HCR). Rent stabilization generally covers buildings with six or more units constructed before January 1, 1974, and newer buildings receiving certain tax benefits for the duration of those benefits. Rent control is significantly smaller, covering roughly 25,000 apartments.

Public housing (Section 9) owned by the New York City Housing Authority (NYCHA), a separate legal entity from the City of New York, is not eligible for this program. Note that the City of New York itself owns very little housing directly.

17. Please clarify exactly which properties are within scope. Only City-owned affordable housing? City-financed/regulated projects? All rent-stabilized units? Any co-ops or small landlords?

Please see answer to previous question.

18. Who is/will be the TPA?

A third-party administrator (TPA) has not been selected, and TPA selection is outside the scope of this engagement. Claims administration arrangements will be defined through the EDC RFEI and managed by the selected RFEI winner. Under Workstream D, the consultant should address TPA selection standards, oversight expectations, performance metrics, and fee considerations to inform the RFEI technical requirements. Per Appendix A1, RFP respondents that provide TPA services, or whose affiliates do, must disclose those relationships in the conflict-of-interest disclosure.

B. Data Availability & Loss-Run Collection (Workstream A / D1)

1. Has HDC/HPD identified a target sample size (number of properties or units) for the initial loss-run data collection?

HDC is evaluating an initial pilot sample of approximately 40 properties to establish basic statistical properties of the data, which will then inform the sample size needed for statistically significant analysis. We preliminarily expect the full sample to exceed 200 properties but believe we can optimize around touchpoints, such as concentrating data collection across owners and managers with multiple properties in their portfolios, to reduce the number of counterparties without undermining statistical representativeness. The consultant should propose a sampling and stratification approach as part of Workstream A, and refine the target sample size based on findings from the initial pilot.

2. Will participation in loss-run submission be voluntary or mandatory for sampled property owners?

Participation in loss-run submission will be voluntary. That said, HDC has strong relationships with its borrowers through its regulatory role, frequent engagement, and information sharing, and we expect a high response rate. The objective at this stage is establishing a representative baseline sample, and if a particular owner is not able to respond in a timely fashion, we can move on to others without compromising the analysis.

3. Are specific lines of coverage in scope beyond commercial property and general liability (e.g., umbrella/excess, environmental, workers' compensation)?

Within the property and general liability scope, the consultant should plan to cover the standard commercial coverages affordable and rent-stabilized owners typically purchase, see insurance guidelines in the appendix. The consultant should advise on whether and how the program should phase coverage based on the actuarial baseline, capital adequacy, and reinsurance market support.

Workers' compensation and environmental coverage are not currently within scope. Respondents may flag adjacent lines that warrant further consideration, but the core engagement scope is property and general liability.

Catastrophic and specialty perils are part of the property analysis. The consultant's actuarial, capital, and reinsurance work under Workstreams B, C, and D should evaluate exposure to these perils and recommend how each is best addressed within the program design, whether through direct coverage, reinsurance and catastrophe overlays, parametric structures, public mechanisms (e.g., NFIP for flood), or a combination.

4. Are property valuations (TIVs) expected to be provided directly by property owners?
Yes, our outreach to property owners will involve collection of loss runs and any additional underwriting data needed for the building itself, including TIV.

5. Is building condition or loss-mitigation data/report (sprinklers, retrofits, façade work, compliance status) currently available in structured form?

HDC maintains project-level data on overall maintenance and physical conditions through its annual physical inspections. These inspection ratings, e.g., satisfactory, unsatisfactory, etc., are available in a database from 2018 to date. For certain building systems, additional datasets may be available and can be filtered - for example, facade conditions or FISP compliance information.

6. Will HDC manage data intake directly, or is the consultant expected to host a secure intake mechanism?

HDC will manage data intake directly.

7. Are there preferred security or privacy standards beyond those listed (e.g., NYC cybersecurity frameworks) that should be assumed?

No additional standards beyond those set out in the RFP should be assumed at this stage. The selected consultant will be required to comply with HDC's data security, confidentiality, and NDA requirements as described in the RFP, and HDC may specify additional safeguards consistent with applicable City and State requirements during contracting.

8. If a building is mixed use, will these proposed policies cover commercial spaces as well? (eg Inventory of commercial space)

Property coverage includes the building itself, but a commercial tenant will have insurance for the physical structure, contents/inventory, and liability of their leased space.

C. Actuarial Modeling Expectations/Assumptions (Workstream B / D2)

1. Under deliverable D2, "Core deliverable including: narrative report detailing property-level expected loss estimates by peril (frequency, severity, and aggregate), with explicit exposure bases and separation of attritional and catastrophe loss". Can you define catastrophe loss?

The consultant should propose a working definition of catastrophe loss consistent with standard actuarial practice and document it in the actuarial baseline. The consultant should specify the threshold used to distinguish catastrophe from attritional loss (e.g., per-event size, return period, or peril-based classification) and apply it consistently across the actuarial model, capital framework, and reinsurance design.

2. What level of granularity is expected in results (cohort-level pricing, property type etc.)?

HDC expects to require property-level expected loss estimates, as detailed under Deliverable D2. Property-level granularity is what allows HDC to toggle and roll up across cohorts (program type, geography, building characteristics, and other dimensions) for purposes of pricing, eligibility, and program design analysis. If a respondent believes property-level granularity is not feasible or advisable for any portion of the analysis, the proposal response should explain why and propose an alternative.

3. Is there an expectation that output pricing be benchmarked against commercial market rates?

Yes. The program's stated objective is premium savings of 20% to 30% relative to the commercial market, and pricing indications must be benchmarked against current commercial market rates for comparable risks to validate the savings case. The consultant should document the benchmarking methodology, data sources (e.g., commercial market quotes, owner-reported premiums, published rate filings, broker-provided benchmarks), and limitations transparently in the actuarial baseline report.

D. Capital, Solvency & Stress Testing (Workstream C / D3)

1. Is there a preferred solvency framework that should anchor the analysis (e.g., rating-agency analog, RBC-style etc.)?

No solvency framework has been pre-selected, and HDC is open to the consultant's recommendation. What matters is that the framework selected supports the program's core goals and is defensible to external stakeholders, including reinsurance counterparties, lenders, and oversight bodies. The selected consultant will recommend a framework as part of Workstream C / Deliverable 3, document the rationale, and apply it consistently across the capital, stress testing, and reinsurance work that follows.

Separately, HDC is interested in understanding how external ratings, independent actuarial review, and third-party audits can be used over time to provide transparency around the program's underwriting and capital position, and to reinforce the independence of the underwriting process. To the extent the choice of solvency framework has implications for ratings or audit posture down the line for the program itself, the consultant should surface those considerations as part of the recommendation.

2. Are there specific tail events of concern (e.g., climate-driven flood clustering, fire following façade mandates) that should be explicitly stressed?

No specific tail events have been pre-selected for stress testing, and HDC is open to the consultant's recommendation on which scenarios best capture the risk profile of the New York City affordable and rent-stabilized portfolio. The consultant should propose and document a set of severe-but-plausible scenarios under Workstream C, including correlated and concentration risks, with the framework calibrated to the portfolio's geographic, structural, and program-type composition.

E. RFEI Support & Procurement Role (Workstream E / D5)

1. To what extent should the consultant shape commercial terms versus purely technical requirements in the RFEI?

The consultant's primary role under Workstream E is to author the technical requirements, evaluation framework, and scoring rubric for the RFEI, consistent with Deliverable 5. Within that scope, "technical" should be read broadly to include the financial and economic parameters that allow consistent comparison of proposals. EDC, HDC, and HPD will lead on commercial terms (e.g., contract structure, City investment terms, governance rights), with the consultant providing technical input as requested.

2. What level of involvement is expected during RFEI negotiations (observer, technical lead, model validator)?

The selected consultant is expected to serve as a technical advisor during RFEI negotiations, with cadence to be agreed once submission volume is known. If the consultant or any affiliate responds to the RFEI, this role is subject to the conflict-of-interest provisions in the RFP.

F. Deliverables, Timeline & Resourcing

1. Should deliverables D1–D4 be considered final before the RFEI is issued, or iterative during the RFEI process?

Iterative. The RFEI is targeted for issuance by EDC in June, which is shortly after the consultant's tentative start date of May 26. Before RFEI publication, consultant support will be focused almost exclusively on (i) helping HDC, HPD, and EDC finalize the RFEI itself, and (ii) finalizing the loss-run and data collection template, which we aim to put into use as soon as possible. The consultant should be prepared to work on both of those tracks simultaneously starting on Day 1.

We will need the consultant's advice on how to cadence D1–D4 so that they can move in parallel to the RFEI process, building out iteratively as loss-run data is received, validated, and analyzed, and continuing to refine through the RFEI as new information emerges from respondent feedback, additional data, and evolving scenario assumptions. The consultant should propose a sequencing approach as part of the workplan.

2. Is the thrice-weekly working cadence expected to be standing meetings throughout all 12 months?

No. The thrice-weekly cadence reflects the intensity of the early phase of the engagement, when data collection, actuarial baseline construction, and RFEI technical package development run in parallel. HDC's expectation is that thrice-weekly working sessions are sustained for at least the first three months and reduce thereafter, with the cadence definitely tapering before month six. From that point forward, working session frequency is expected to step down meaningfully as the engagement shifts from build-out to RFEI support and refinement. Monthly milestone reviews with senior leadership and ad hoc support during RFEI procurement remain as described in the RFP.

G. Commercial & Contractual Clarifications

1. Is the \$350,000 budget intended to cover all Workstreams A–F, including months 8–12 procurement support?

Our budget expectation for this engagement is \$350,000. To support our evaluation, please provide pricing broken down by work stream and deliverable. This level of detail will allow us to make informed decisions about what to include in the final scope. If respondents identify opportunities to prioritize or sequence deliverables in a way that improves efficiency, we welcome those recommendations as part of your response.

Respondent G

GENERAL

1. What is triggering the RFP?

Insurance costs for affordable housing have risen ~200% since 2018. In response, the City is seeking to back a new insurance program for affordable and rent regulated housing that will lower and stabilize costs and expand coverage. This procurement is to identify an independent risk consultant to serve as the technical advisor in evaluating and designing that program. Further background is in the RFP.

2. Can NY Housing Corporation provide an overview of how they are performing financially? What other operations challenges is [sic] NYC Housing facing that requires solutions?

The New York City Housing Development Corporation (HDC) is the nation's largest municipal housing finance agency, rated AA by S&P and Aa2 by Moody's. The properties that the program will underwrite are not owned by HDC, HPD, and EDC.

3. Which market, regulatory, or financial events triggered the re-evaluation of liabilities, the balance sheet, sources of cash flow, and revenue sources? When does the NYC Housing budget process start for the upcoming 2027 calendar year?

This procurement is not driven by a re-evaluation of HDC's own liabilities, balance sheet, or revenue sources. As set out in the RFP and in publicly available materials, the program is responding to a sharp rise in insurance costs for affordable and rent-stabilized housing in New York City: estimated premium per affordable unit rose roughly 200% from 2018 to 2025. The City's response is to develop a City-backed property and liability insurance program targeting premium savings, sound underwriting, and long-term financial self-sustainability. We would encourage respondents to review the RFP for additional context.

4. The RFP discusses MWBEs. Is there an MWBE goal associated with this work? Is proposal scoring impacted by an MWBE designation or usage (subcontracting) of MWBEs? If so, what weight will be considered when scoring proposals from MWBEs or firms who subcontract with MWBEs?

HDC is dedicated to furthering the participation of minority and women-owned businesses in its work. All RFP respondents are urged to include in their proposals methods for facilitating the participation in the project of businesses that have been certified by the New York City Department of Small Business Services (“SBS”) as women or minority owned. This can take any form an RFP respondent considers appropriate including, but not limited to, proposals intended to ensure the utilization of certified minority and women-owned businesses as subcontractors or as joint-venture partners. In addition, proposals from minority and women-owned RFP respondents are encouraged. Information provided on MWBE participation will be considered as part of HDC's overall evaluation of a proposal, but it is not a separately weighted component of the scoring rubric.

SCOPE

1. Will the program be expected to cover only HDC/HPD-financed properties, or the full rent-stabilized stock of ~1 million units? The RFP references both a 365,000-unit portfolio and a 1 million-unit total addressable market – which is the design basis?

Both numbers are accurate, but they serve as context, not as the design basis. The HDC/HPD-financed portfolio of approximately 365,000 units is the population where the City has the most direct relationships and data infrastructure, and the broader addressable market of more than one million units, including the unsubsidized rent-stabilized stock, illustrates the scale of the market in which the program will operate and the City's potential share. The design basis is the City's explicit targets of roughly 20,000 homes at launch in 2027 scaling to approximately 100,000 homes by 2030, and the consultant's actuarial baseline, capital framework, and program structure work should support flexible expansion against those targets.

2. The RFP references “property and liability “throughout but Workstream B asks for loss estimates “ by peril. Which property perils should the actuarial baseline prioritize – allrisk, fire, water damage, liability only, or a defined subset? Will the City share any guidance on the intended coverage structure before proposals are due?

The actuarial baseline should cover the standard perils associated with special form/all-risk commercial property and general liability coverage for affordable and rent-stabilized multifamily buildings — see insurance guidelines in the appendix for expected perils. HDC is looking to the consultant to propose the specific peril taxonomy used in the model and document it in the actuarial baseline. The City will not pre-define a coverage structure before proposals are due; coverage structure is part of the consultant's analysis under Workstreams B, C, and D and will be further refined through the RFEI.

3. The RFEI goal states premiums cut by 20% or more. Should the actuarial modeling treat this as a hard constraint or as a target to be tested for feasibility?

The 20% premium reduction is a target to be tested for feasibility, not a hard constraint on the actuarial modeling. HDC is looking to the consultant to validate or challenge the savings case on the merits. If the analysis indicates 20% is conservative, that should be reflected; if it indicates 20% is unachievable on a financially sustainable basis, that should be surfaced clearly along with the structural changes or tradeoffs needed to close the gap. The modeling should support pricing scenarios at a range of savings levels with assumptions, capital implications, and sensitivities documented transparently.

4. Are there any existing risk-sharing mechanisms, captive arrangements, or reinsurance agreements that should be considered in program design?

HDC, HPD, and EDC are not currently party to any risk-sharing arrangement, captive, or reinsurance agreement specific to the affordable and rent-stabilized housing portfolio that needs to be carried into the new program's design. The program is being designed on a clean-slate basis.

5. Have you conducted any prior actuarial studies, feasibility analyses, or insurance market assessments related to this portfolio or program? If so, can those be shared?

No.

6. What is the anticipated program structure (e.g., group captive, risk retention group, public entity pool, guaranteed-cost fronted program)? Or is that up for consideration still as part of the scope for the forthcoming RFEI? Are there regulatory or procurement constraints on the answer to this question?

The program structure is not pre-determined, and HDC is looking to the consultant to advise on this through the comparative assessment under Workstream D / Deliverable 4. We have not pre-selected a structure or established a preference; the consultant should evaluate any options that can credibly deliver on the program's core goals. Regulatory implications under New York insurance law and other applicable frameworks should be surfaced as part of that assessment so HDC, HPD, and EDC can weigh them on the merits. The structural analysis itself is a deliverable under this RFP and will anchor the technical requirements and evaluation framework for the EDC RFEI, which is targeted for issuance in June.

7. For Workstream 2, is the expectation that the awardee derive a premium rating plan—and/or an allocation methodology—for individual program participants, or just derive overall program-level forecasts and reserves?

Both. The actuarial baseline under Workstream B / Deliverable 2 should produce property-level expected loss estimates by peril that roll up to program-level forecasts of expected losses, reserves, capital, and reinsurance needs. Property-level granularity is what gives HDC the flexibility to evaluate cohorts, eligibility cuts, participation mixes, and pricing structure in scenario analysis.

The consultant is not expected to deliver a fully operational premium rating plan and allocation methodology of the kind an underwriter would use to quote individual policies. That responsibility sits more naturally with the RFEI operating entity. However, the actuarial baseline must be detailed and reproducible enough to serve as the foundation for such a rating plan, including clearly documented rating variables, sensitivity to exposure characteristics, and a transparent methodology for allocating losses, expenses, and capital across participants. A full operational rating plan is the RFEI winner's responsibility.

DATA

1. Is there any expectation that the Milford Street captive will share its claims and exposure data with the selected consultant?

No. The Milford Street captive is an independent entity and there is no expectation that it will share its data.

2. Workstream A requires designing a loss-run collection template, conducting outreach, ingesting data, and producing a clean auditable dataset - all before actuarial modeling can begin. Given HDC acknowledges it does not currently hold loss-run data, can HDC provide guidance on the expected timeline data collection and the number of properties in initial sample? Would HDC consider scoping Workstream A as a separate foundational phase with its own milestone payment, with subsequent workstreams conditioned on data availability?

The timeline and approach to data collection is something HDC is looking to the consultant to help shape, not a parameter we are setting in advance. The template should be finalized and in use as soon as possible after Day 1, with Workstream A and the RFEI technical package running in parallel. HDC and HPD will lead initial outreach leveraging existing owner and manager relationships, while the consultant leads on data quality assurance.

We are starting with a pilot sample of approximately 40 properties and expect a full sample exceeding 200, sized based on what the pilot indicates is needed for significance. HDC is not looking to split Workstream A into a separate phase; subsequent workstreams should develop iteratively as data is collected, validated, and analyzed, with milestone payments tied to D1–D6 as already required under the RFP. The consultant should propose a sequencing approach in the workplan.

3. If HDC and HPD do not currently hold loss run data, what available additional data sources are available?

HDC and HPD do not currently hold loss-run data, but do have existing, validated portfolio data on affordable properties, including building characteristics, physical condition, and financial performance indicators, as well as insurance policy-level information for a subset of properties, that we expect will be useful for underwriting and that we plan to incorporate into the analysis. The consultant should propose an approach for integrating these data sources into the actuarial dataset and underwriting framework.

4. How large of a sample of properties will the City attempt to collect loss runs and exposure data from, and over what historical time period—and who are/were the primary carriers for property and liability coverages over that period? Will the City assist in outreach to property owners, or is that the consultant’s responsibility?

What follows is HDC's current plan, which we expect to refine with the selected consultant. We intend to start with a pilot sample of approximately 40 properties, followed by a full sample expected to exceed 200, sized based on what the pilot indicates is needed for significance and optimized around touchpoints to reduce the number of counterparties. Respondents should propose the look-back period they consider analytically necessary, typically five to ten years. The collection is sized to support a baseline sufficient for program design, capital framework, reinsurance strategy, and the RFEI procurement; deeper and broader operational data collection is a workstream for the RFEI awardee.

HDC has carrier information for the subset of HDC-financed properties where insurance is escrowed alongside mortgage payments and will share it with the consultant. For the rest of the portfolio, identifying carriers is part of the data collection exercise. HDC and HPD intend to lead initial outreach to owners and managers, while the consultant leads on designing the loss-run template and data quality assurance, and produces the D1 memo.

5. Can the loss run data collection template be revised as part of the full proposal due in May?

Yes.

6. Has a recent catastrophe (CAT) model run been performed?

No.

7. Are carrier-issued loss runs available for all coverage lines (Property, General Liability, Excess/Umbrella, Crime, etc.) on a consistent basis? What is the most recent evaluation date? Also, have there been any gaps in coverage, self-insured periods, or periods where claims were managed on a claims-made vs. occurrence basis that could affect

loss history continuity? And have there been significant changes to deductible levels, self-insured retentions (SIR), or coverage limits over the historical period for which claims data is available?

HDC and HPD do not have consistent visibility into these details across the portfolio. As noted in earlier responses, HDC and HPD do not currently hold loss-run data for properties in the portfolio.

The data collection under this RFP is intended to establish a baseline sufficient to support program design, capital framework, reinsurance strategy, and the RFEI procurement — not the operational, underwriting-grade dataset the program will need over time. Within that scope, the consultant should design the loss-run template and data quality framework to surface coverage gaps, claims-basis changes, and material shifts in deductibles, SIRs, or limits within the sample, and document them transparently in the D1 memo. Practical adjustments, normalizations, or exclusions should be proposed where they are needed to support the actuarial baseline under Workstream B. Deeper resolution of these issues across the broader portfolio is a workstream for the RFEI awardee.

8. Has the portfolio experienced coverage restrictions, sub-limits, or exclusions (e.g., mold, lead paint, habitability) imposed by carriers due to loss experience? If so, for which perils and in which years? Are any such restrictions anticipated (or considered up for debate) for this program?

HDC and HPD do not have systematic visibility into carrier-imposed restrictions across the portfolio; identifying these patterns is part of what the data collection exercise under Workstream A will surface. Directionally, we know that owners have responded to rising premiums by accepting higher deductibles, reduced limits, or narrower coverage.

For the new program, no coverage restrictions or exclusions are pre-determined. Coverage scope is part of the program design under Workstreams B and D and will be further defined through the RFEI.

LEGAL

1. Deliverable for Workstream B indicates that reliance on proprietary software is not allowed without prior written approval. This caveat is not listed in the deliverables for Workstream C. Is use of proprietary software allowable for Workstream C?

The non-proprietary, open-format requirement applies to all datasets, models, code, and analytical deliverables across the engagement, not solely to Workstream B. Use of proprietary, commercial, or SaaS-based dependencies in Workstream C – or in any other workstream – requires prior written approval from HDC, consistent with the data ownership and model reuse provisions of the RFP.

2. The RFP states deliverables must “withstand external scrutiny”. Will HDC redact any proprietary assumptions before release?

The "withstand external scrutiny" standard is a quality requirement on the consultant's work: assumptions, methods, and limitations must be clearly documented and defensible. It is not a commitment by HDC to publicly release deliverables in full. HDC has not determined what, if

any, materials will be released externally. Any release would be handled consistently with HDC's obligations under New York Freedom of Information Law (FOIL).

3. Will HDC agree to a reasonable limitation of liability in the final contract governing this work?

Limitation of liability and other contractual terms will be negotiated as part of finalizing the engagement letter or form of contract. Respondents should include their proposed form of contract and/or engagement letter, including all terms and conditions, as part of the proposal package. HDC will review proposed terms in the course of contract negotiation.

4. In response to the following statement, "HDC shall have unrestricted rights to use, modify, share...", would you please share with whom you intend to provide access to the materials?

HDC has not pre-determined a list of recipients. Anticipated uses include sharing with HPD, EDC, and other City and State agency partners involved in the program; with the entity selected through the EDC RFEI to structure or operate the program; and with retained advisors, counsel, auditors, and reinsurance counterparties as needed to support program design, procurement, and ongoing oversight. HDC retains the right to use, modify, and share the materials as needed to advance the program, consistent with the IP and data ownership provisions of the RFP.

As stated in the RFP, HDC is subject to New York State's Freedom of Information Law (FOIL), and HDC shall release all records subject to FOIL without notice to or consent of the responder. HDC retains absolute discretion in responding to FOIL requests and is not required to consult with the consultant before responding.

BUDGET

1. Given the RFEI is targeted for early June and the engagement start date of this RFP is May 26, can HDC clarify which workstreams and deliverables are required to support the RFEI issuance versus which are intended for the longer 12 month engagement?

Would HDC consider structuring the scope in two phases - a near term phase supporting the RFEI and a subsequent phase covering program governance and data infrastructure - to allow respondents to propose accordingly?

The early near-term focus will be on (i) the RFEI technical and evaluation package under Workstream E / D5 and (ii) finalizing the loss-run and data collection template under Workstream A / D1, and the consultant should be prepared to work on both tracks simultaneously starting Day 1 with the RFEI targeted for issuance in June. The remaining deliverables will develop iteratively over the 12-month engagement, building from the data collection exercise as loss-run data is received, validated, and analyzed, and refining through the RFEI process. HDC does not anticipate splitting the scope into separate phases; respondents should propose a single integrated workplan covering all six deliverables, with milestone-based payments tied to D1–D6 as already required under the RFP.

2. The RFP states a budget ceiling of \$350,000 for a 12 month engagement covering 6 workstreams. Can HDC confirm whether this price ceiling is fixed, or whether it would consider proposals that identify a prioritized core scope within the stated budget alongside optional workstreams that could be engaged separately if additional funding

becomes available? Further, can HDC confirm whether the “Ad hoc support during RFEI respondent procurement” is assumed to be considered inside of that \$350,000 budget ceiling

Our expectation for this engagement is \$350,000, covering all six workstreams. Respondents should propose a workplan and itemized budget aligned to that scope and envelope.

Pricing should be broken out by workstream and deliverable so we can evaluate proposals on a consistent basis and work with the selected respondent to calibrate scope and sequencing as the engagement is finalized. Where respondents see opportunities to prioritize deliverables for greater efficiency, those recommendations are welcome.

Respondents may separately identify, clearly labeled as such, additional or expanded workstreams that fall outside the RFP scope and would require separate funding.

Respondent H

1. Does bidding on this scope of work preclude the selected vendor from bidding / working on future related scopes (e.g., program design work)?

No, bidding on this scope does not preclude the selected vendor from bidding on or working on future related scopes – but it introduces serious safeguards, particularly with respect to the RFEI for the entity that will structure or operate the insurance program.

Under the conflict-of-interest provisions of the RFP, the selected consultant (and its affiliates) may respond to the future RFEI only if EDC and/or the City determines that adequate conflict-mitigation measures are in place. If the consultant or any affiliate responds to the RFEI, the consultant cannot participate in any substantive evaluation, scoring, ranking, interview, or negotiation relating to RFEI submissions, and the RFEI scoring rubric and technical requirements (D5) must be authored by personnel certified as segregated from any RFEI-response team. Respondents intending to pursue the RFEI must disclose that intent and provide a detailed mitigation plan as part of Appendix A2. For other future related scopes – for example, additional advisory work on program governance or ongoing actuarial review – any engagement would be subject to applicable procurement rules and the conflict-of-interest framework in place at the time, with any potential conflicts disclosed and managed accordingly.

2. Would HCD consider an extension to May 18, 2026 for this proposal response?

No.

Respondent I

Data

1. What is the representative sample size? How many units and how many portfolios?

HDC is targeting an initial pilot sample of approximately 40 properties to establish basic statistical properties of the data, followed by a full sample expected to exceed 200 properties, sized based on what the pilot indicates is needed for statistical significance. The number of portfolios will be optimized around touchpoints – concentrating data collection across owners and managers with multiple properties – to reduce the number of counterparties without undermining statistical representativeness. Unit counts will follow from the property mix

selected. The consultant should propose a sampling and stratification approach as part of Workstream A.

2. Do you expect all data to be provided in the template provided? Or to what extent do we anticipate receiving insured data in other formats?

Owners will provide data through a structured submission process. We are seeking the consultant's advice on the appropriate form, the fields that should be required, the validation rules, and how to handle cases where owners have data only in native carrier formats (loss runs, dec pages, claim files). The intent is a one-time baseline collection sized to the sample, not a production intake system — the RFEI awardee will design ongoing data flows as part of standing up the program.

HDC and HPD will lead outreach to drive submissions. QA responsibility sits with the consultant, including validation against any source documents owners can provide.

3. Will the consultant be responsible for communicating directly with portfolio asset managers/owners to obtain exposure data?

HDC and HPD will lead initial outreach, leveraging existing relationships with property owners and managers. Follow-up correspondence on missing or ambiguous entries should be handled jointly, with HDC and HPD lending relationship support where it accelerates collection and the consultant driving the analytical decisions on what to chase and how to treat gaps. The consultant takes the leading role on data quality assurance.

4. Will we obtain other needed documents including statement of values (needed for CAT Modeling), existing insurance information (needed to understand existing insurance requirements, estimate savings, etc.), historical unit count (needed to put the loss history in context with the portfolio size)?

The data collection exercise under Workstream A should include statement of values, current and historical insurance information (premiums, limits, deductibles, carriers), and unit-count history alongside loss runs and exposure data. Availability and completeness will vary by owner and property; the consultant should specify these fields in the loss-run template and supporting submission guidance, and document gaps and limitations in the data quality memo. HDC and HPD will share administrative data already on file for affordable units – including building characteristics, unit counts, and program type – and HDC's escrow records and additional-insured status may provide some current insurance information for the subset of HDC-financed properties where insurance is escrowed.

Modeling

5. In the insurance industry, CAT modeling is almost exclusively performed using proprietary platforms like RMS (Moody's) or AIR Worldwide (Verisk). These tools use complex, closed-source stochastic or deterministic engines to simulate thousands of years of loss resulting events to calculate Probable Maximum Loss (PML) for metrics like the 1-in-100 or 1-in-250 year scenarios requested in the RFP. Workstream B and Deliverable D2 require property-level expected loss estimates separated by attritional and catastrophe loss, including solvency standards such as 1-in-100 and 1-in-250 year scenarios. Starting from this premise, would have to accept a deliverable where the stochastic or deterministic

outputs (e.g., event loss tables) are provided in open formats, while the underlying simulation engine remains proprietary?

The constraint in the RFP is on deliverables and ongoing dependencies, not on the consultant's analytical inputs. Using proprietary catastrophe models during the analysis to generate event loss tables, PMLs, and scenario outputs – and delivering the resulting outputs, parameters, methodology, and documentation in open, non-proprietary formats – is consistent with the RFP, subject to prior written approval and clear disclosure of what is being delivered to HDC versus what remains licensed to the consultant.

The catastrophe analysis is part of the baseline that anchors the program's capital framework, reinsurance strategy, and RFEI technical requirements. The deliverables should be sufficient for those purposes and structured for handoff to the RFEI awardee, which will run and update catastrophe modeling as part of program operations. Respondents should describe the model(s) they intend to use, the form of the outputs delivered, the granularity of event loss tables and other analytical artifacts, and the documentation that will accompany the deliverables to support handoff. Final approach will be agreed with HDC before substantive cat work begins.

6. The RFP requires that all modeling code be reproducible in open-source languages like R or Python and become the "exclusive property of HDC". How does the City distinguish between "Background Intellectual Property" (preexisting proprietary structuring software) and "Project Intellectual Property" created during the engagement? How does the City distinguish between "Background Intellectual Property" (preexisting proprietary structuring software) and "Project Intellectual Property" created during the engagement? We internally use proprietary risk capital structuring software, so we'd like to ensure the output and functional model delivered becomes yours, but the underlying proprietary "engine" remains ours and is not subject to the "exclusive property" transfer.

The RFP's IP and ownership provisions apply to project deliverables – the datasets, modeling code, model outputs, workpapers, and documentation produced under the engagement – which become the exclusive property of HDC with full rights to use, modify, share, and build upon. The provisions are not intended to capture pre-existing proprietary tools, methodologies, or structuring software that the consultant brings to the engagement and continues to use across other client work.

Within that framing, HDC should be able to run, modify, and reproduce the model end-to-end without ongoing licenses or proprietary dependencies, unless explicitly approved in writing by HDC. If a respondent's proposed approach involves running a proprietary structuring engine in the background and delivering open-format outputs, code, parameters, and documentation to HDC, that arrangement is workable in principle, subject to prior written approval and clear delineation of what is delivered as HDC-owned project IP versus what remains the consultant's background IP. The consultant should not deliver a model whose execution depends on retained access to the consultant's proprietary engine.

Respondents should describe in their proposal how they distinguish between background IP and project IP, what specifically will be delivered to HDC under the project IP designation, and how the deliverables will function on a standalone basis. Final terms will be confirmed in the engagement letter or form of contract.

7. Workstream D asks the consultant to evaluate "viable program structures" such as captives, reciprocals, or hybrids. To what extent is the City open to Alternative Risk Transfer (ART) structures that diverge from traditional municipal insurance pools?

HDC is open to any program structure that delivers on the program's core goals – premium savings of 20 to 30 percent, sound underwriting and risk mitigation, a strong balance sheet, and a financially self-sustaining program over time. Alternative risk transfer structures, including those that diverge from traditional insurance pools, are within scope for the consultant's evaluation under Workstream D.

Where the consultant evaluates structures that operate outside the standard regulatory framework – for example, structures with reduced regulatory oversight, lighter capital requirements, or non-standard governance – particular attention should be paid to what structural and contractual safeguards can be put in place to ensure underwriting standards are not compromised in ways that harm the program's long-term health. Independent actuarial review, board-level controls on underwriting authority, defined risk appetite and capital rules, transparent reserving and reinsurance practices, and external audit posture are examples of the kinds of safeguards the consultant should surface and assess in the comparative structural analysis under D4.

Data Governance

8. Regarding Workstream F (Data infrastructure and governance design): Does the City intend for the consultant-designed data framework to serve as the primary technical architecture and 'source of truth' for the future Program Operator? Specifically, should the D6 deliverable include the technical specifications and real-time data feed requirements that the RFEI winner will be expected to adopt to ensure seamless transition and long-term program monitoring?

The D6 framework is intended to inform the RFEI and shape its requirements – not to serve as the operating system the RFEI winner is required to adopt. The RFEI winner will do the actual implementation work, including designing and standing up the technical architecture, source of truth, data feeds, and operational tooling for the program.

What the City needs from the consultant under Workstream F is guidance on the RFEI: the framework, principles, standards, and minimum requirements that the RFEI winner should be expected to meet. That includes data ownership and governance, validation and reporting standards, access controls, performance monitoring metrics, and intervention triggers, as referenced under Workstream F. The consultant should pitch this at the level of "what City should require of the operator" rather than "the architecture City has built and the operator must adopt."

RFEI Response & Review

9. What is the anticipated volume of RFEI Respondents that we will be involved in reviewing?

We estimate 10-20 respondents.

10. For the RFEI support & procurement, what does negotiation support entail?

Negotiation support means providing technical input to HDC, HPD, and EDC during the RFEI evaluation and award negotiation, on questions where actuarial, capital, reinsurance, and program structure expertise is needed to engage credibly with respondents. Examples include validating respondents' actuarial assumptions, capital adequacy and reinsurance proposals, and pricing logic; identifying weaknesses, gaps, or aggressive assumptions in submissions; and advising on the implications of proposed terms for program viability and the City's risk position.

The consultant is expected to act as technical lead and model validator on these issues, with HDC, HPD, and EDC leading on commercial terms (e.g., contract structure, City investment terms, governance rights). Involvement in substantive evaluation, scoring, or negotiation is contingent on conflict-of-interest standing, as described in the RFP – the selected consultant (or affiliates) that intends to respond to the RFEI may assist with background analysis and technical requirements but cannot advise on the merits of any particular RFEI submission.

11. To ensure the fairness and integrity of the upcoming solicitation, could the City clarify what specific 'adequate' safeguards—beyond the minimum requirements of firewalls, restricted access, and data segregation—it expects to see in a conflict mitigation plan? Specifically, for a firm acting as the technical advisor, would the City consider a 'pre-clearance' framework to validate that the proposed mitigation plan is sufficient to prevent any entity from being disadvantaged or limited in their ability to compete on equal footing?

The mitigation plans required under Appendix A2 are reviewed by EDC and/ or the City as part of the procurement process. EDC and/ or the City will engage with respondents on their proposed mitigation plans during contracting and will provide feedback – including any required modifications – before award, so that respondents enter the engagement with a clear understanding of what is expected.

EDC and/ or the City retains discretion, as set out in the RFP, to determine whether a conflict of interest exists, whether mitigation measures remain adequate, and whether a respondent, contractor, or affiliate may participate in the RFEI. That discretion reflects the fact that facts and circumstances may evolve over the course of the engagement; the consultant is required to update its mitigation plan promptly upon any change. EDC and/ or the City may require additional safeguards at any time, including recusal of personnel, exclusion from discrete workstreams, or other measures.

Beyond the minimum requirements set out in the RFP – organizational and personnel firewalls, restrictions on access to non-public information, data segregation protocols, internal reporting lines, and procedures to prevent the use of engagement information for any RFEI-related purpose – EDC and/ or the City is open to additional safeguards proposed by respondents that further reinforce independence and the integrity of the procurement. Examples include external monitoring or attestation, designated ethics officer oversight, independent counsel review, segregated electronic systems, and certifications from senior leadership. Respondents are encouraged to propose what they believe is appropriate; final adequacy will be determined by EDC and/ or the City.

12. The RFP states the City seeks a program that is 'self-supporting' and can 'scale to serve a significant share' of the housing stock. To ensure the RFEI identifies a partner capable of meeting these ambitious goals, will the City permit the 'segregated author team' to define the RFEI scoring rubric using sophisticated Alternative Risk Transfer (ART) metrics, such as specific data granularity and capital modeling requirements? Our objective is to ensure the 'evaluation and scoring framework' is sufficiently rigorous to protect the City's long-term financial interests, regardless of which entity ultimately responds to the RFEI.

Yes, any segregated author team would be expected to design a scoring rubric that is technically rigorous and reflects the program's stated goals – premium savings, sound underwriting, financial self-sustainability, and the ability to scale. The rubric should be sophisticated enough to assess respondents' actuarial assumptions, capital modeling, reinsurance design, data infrastructure, governance, and operational capability on a substantive basis, rather than as a generic procurement checklist.

The RFEI is intentionally open to a range of structures – captive, reciprocal, hybrid, and other ART arrangements – and the scoring framework should evaluate respondents on their ability to deliver on the program's goals under whatever structure they propose, rather than embedding metrics that pre-select for a specific structural approach.

Specific rubric content, including which ART metrics, data granularity expectations, and capital modeling requirements are incorporated, will be developed by the segregated author team in coordination with HDC, HPD, and EDC during the engagement. The rubric will be reviewed by City stakeholders before RFEI issuance to ensure both technical rigor and procurement neutrality.

General Other

13. The RFP requires thrice-weekly 60-minute working sessions and monthly senior leadership reviews. Will these meetings be remote, or is there a requirement for in-person attendance in New York City?

The expectation is for all meetings to be virtual. An exception may be made for a one-time senior leadership presentation or comparable event.

Appendix

Property Guidelines : Effective 9/19/05 (as rev.)		General Liability/Umbrella Guidelines : Effective 2021 (as rev.)	
Issuer Requirement	Licensed in the State of New York, Authorized in the State of New York	Issuer Requirement	Licensed in the State of New York, Authorized in the State of New York
Rating Agency	AM BEST RATED	Rating Agency	AM BEST RATED
Minimum Rating & Schedule of Requirements	HDC Mortgage and Reg Agreement require Strength =A, Size = XV	Minimum Rating & Schedule of Requirements	HDC Mortgage and Reg Agreement require Strength =A, Size = XV.
Valuation	Replacement Cost Agreed Value/Agreed Amount NO COINSURANCE PERMITTED	General / Excess Liability Limit	<p>Option 1: \$5MM 1st 100 units + \$25K per unit above 100 units. [eg. 150 unit project. (100 unit @ \$5M) + (50 unit @ \$25k per or \$1.25M) = \$6.25M]</p> <p>Multi-Family Garden w/ Loans <\$5MM = \$3MM Multi-Family Garden w/ Loans >\$5MM = \$5MM Multi-Family With Elevator w/ Loans <\$10MM = \$5MM min. Multi-Family With Elevator w/ Loans >\$10MM = 10MM-\$25MM With Office Space 1-2 Stories <\$10MM = \$3MM-\$5MM With Office Space 3-6 Stories >\$10MM = \$5MM With Office Space 7+ Stories >\$25MM = \$10MM-\$100MM</p> <p>Combination of above on a case-by-case basis. Policies must provide that there is no exclusion or waiver of coverage due to any acts or omissions or negligence of HDC and/or Borrower and/or GC (their agents, servants, employees or any tenant under any lease). Must include a completed operations endorsement prior to conversion.</p> <p>Coverage to be at least as broad as the coverage provided by the most recently issued ISO Form CG 00 01 or equivalent and must be issued on an occurrence rather than a claims-made basis.</p> <p>COVERAGE SHOULD APPLY ON A PRIMARY/NON-CONTRIBUTORY BASIS. WAIVER OF SUBROGATION SHALL BE INCLUDED ADDITIONAL INSURED STATUS SHALL BE PROVIDED VIA CG2010 (Ongoing Operations), CG2026 (Ongoing Operations) and CG2037 (Completed Operations)</p>
Other requirements	Agreed Amount Endorsement - With Replacement Cost or No Co-insurance Clause Completed value non-reporting form and permission to occupy prior to completion endorsement	Other requirements	N/A
Deductible - Property Insurable Value	< \$3MM - < or = \$10K; > \$3MM < \$100MM < or = \$25K; [Regulatory Agreement requires no more than \$50K for loans >\$3MM]	Deductible	Deductibles above \$50k are discouraged.
Terrorism Coverage	100% of all insurable loans & losses. If there is an exclusion in the property insurance policy Borrower must obtain a separate terrorism policy covering certified acts of terrorism in the amounts and on a form satisfactory to HDC.	Automobile Liability:	<p>The coverage must be at least as broad as the most recently issued ISO Form CA 00 01.</p> <p>\$2,000,000 Combined Single Limit (owned/hired/non-owned vehicles)</p> <p>COVERAGE SHOULD APPLY ON A PRIMARY/NON-CONTRIBUTORY BASIS WAIVER OF SUBROGATION SHOULD BE INCLUDED ADDITIONAL INSURED ENDORSEMENT SHOULD BE PROVIDED</p> <p><i>(Auto Liability coverage may be scheduled on primary and excess Liability coverage to reach desired limit.)</i></p>
Business Interruption	Actual Loss Sustained or Min of 12 Months Gross Income/Rents	Workers' Compensation and Employer's Liability	<p>Part A - Workers Compensation Coverage Limit of Insurance - STATUTORY</p> <p>Part B - Employers Liability Coverage \$1,000,000 Bodily Injury By Accident - each accident \$1,000,000 Bodily Injury By Disease - policy limit \$1,000,000 Bodily Injury by Disease - each employee ** MUST INCLUDE A WAIVER OF SUBROGATION **</p> <p>In cases where the Managing Agent is providing insurance, the borrower entity/project shall be additional insured and Mortgagor (HDC) shall be a certificate holder.</p>
Boiler & Machinery	Mortgagee Clause - Same as below Basis of Value/Limit - 100% Replacement Cost for building with HVAC equipment; Deductible - Same as above as relates to insurable value of HVAC equipment	Environmental / Pollution Legal Liability	<p>If the project is a Brownfield site or involves environmental hazardous material transportation, then the auto coverage should include pollution liability broadened coverage for covered autos ISO Form CA 99 48 endorsement and proof of Form MCS-90 endorsement . If the GC subcontracts to a hazardous material hauler, the hauler should provide general liability naming HDC as additional insured on a primary and non-contributory basis by endorsement and show proof of workers' compensation insurance (NY statutory limits) with HDC as certificate holder.</p> <p>COVERAGE SHOULD APPLY ON A PRIMARY/NON-CONTRIBUTORY BASIS WAIVER OF SUBROGATION SHOULD BE INCLUDED ADDITIONAL INSURED STATUS SHOULD BE PROVIDED</p>

NYCHDC Insurance Guidelines



Property Guidelines :

General Liability/Umbrella Guidelines :

Effective 9/19/05 (as rev.)

Effective 2021 (as rev.)

Fidelity	Loss Payee - (See Above under property requirements mortgagee clause) List as Loss Payee on Project Owner's policy and Certificate Holder on Managing Agent's policy; Note: HDC mortgage requires fidelity insurance proceeds to be paid to HDC as loss payee and disbursed or applied pursuant to Section 1.3(d) & (e). Minimum coverage value = 3 months gross rental income.	Executive Risk Liability	Property Managers & Building Owners/Developers to carry Directors & Officer's Liability & Employment Practices Liability \$1,000,000 Minimum Limit of Liability \$25,000 Deductible - Maximum Allowed
Flood	Required if located in a Special Flood Hazard Area (100- or 500-year elevation) as designated by FEMA; Requirement per Building - The lesser of 100% Replacement Cost or Maximum Amount available under The National Flood Program (Currently \$500,000 for large Commercial Properties.) Plus private insurance above the NFIP in amounts to be determined by HDC on a case-by-case basis.	Network Security & Privacy Liability Insurance -	\$1,000,000 Minimum Limit of Liability \$25,000 Deductible - Maximum Allowed ** Including Business Interruption and Extra Expense **
Terrorism Coverage	100% of all insurable loans. If there is an exclusion in the property insurance policy Borrower must obtain a separate terrorism policy covering certified acts of terrorism in the amounts and on a form satisfactory to HDC.		
Ordinance and Law	Coverage A: Full Building Limit Coverage B: Demolition: \$2.5M limit for buildings valued \$10M or less \$5M for buildings valued over \$10M, higher limits preferred Coverage C: Increased Cost of Construction: \$2.5M for buildings valued \$10M or less, \$5M for buildings valued over \$10M, higher limits preferred.		
Named Storms	Require All Perils coverage.		
Wind Storms	Required - Special Form f.k.a. All Perils coverage.		
Earthquake / Earth movement	Required - Special Form f.k.a. All Perils coverage.	Self Insured Retention	Permitted (on a case-by-case basis).
Named Insured	The named insured in each policy must be the Borrower or the Borrower Principal. If the Borrower Principal is the named insured, the Borrower must be named as an additional insured by endorsement on a primary, non-contributory basis.	Named Insured	The named insured in each policy must be the Borrower or the Borrower Principal. If the Borrower Principal is the named insured, the Borrower must be named as an additional insured.
Permission to Waive Subrogation in favor of Mortgage Holder prior to loss	Required.	Waiver of Subrogation	Waiver of Subrogation Required on all liability policies
Mortgagee and Other Clause	Mortgagee Clause - must be stated as follows: First Mortgage: Include as Mortgagee and Loss Payee only. New York City Housing Development Corporation, ISAOA, ATIMA, 120 Broadway, 2nd Fl., New York, NY 10271. Secondary Mortgage: The City of New York - 100 Gold Street, New York, NY 10038, its successors and/or assigns as their interest may appear. (Only if HPD provides subsidy or grant funds). Cancellation Endorsement (ACORD 28 current version) as follows: It is hereby agreed that this policy shall not be cancelled or materially altered without giving 30 days written notice or 10 days' notice for non-payment. Must be stated on Certificate and the ISO form Cancellation endorsement to be included with the policy (must specify notice to be given to Mortgagee).	Additional Insured	To be named additional insured on a primary, non-contributory basis by endorsement as follows: New York City Housing Development Corporation, ISAOA, ATIMA, 120 Broadway, 2nd Fl., New York, NY 10271 with coverage at least as broad as the most recently issued ISO Forms CG 20 10 and CG 20 26 and the City of New York - 100 Gold Street, New York, NY 10038, its successors and/or assigns as their interest may appear shall be additional insured. HPD to be named only if HPD subsidy or grant funds are provided.
Blanket and Master Policies	Blanket policies permitted (on a case-by-case basis). 1% of Value, to Maximum of \$250K* (deductible) (* - plus verification of adequacy of finances of Borrower/Guarantor).	Blanket and Master Policies	Blanket policies permitted (on a case-by-case basis), and must include a per location aggregate endorsement.
Captives and other Group policies	Not discussed.	Captives and other Group policies	Not discussed.
Co-insurance	Not permitted.	Co-insurance	Not permitted.
Cancellation Clause	It is hereby agreed that this policy shall not be cancelled or materially altered without giving 30 days written notice or 10 days' notice for non-payment. Must be stated on Certificate and the ISO form cancellation notice endorsement to be added to the policy (must specify notice to be given to Mortgagee).	Cancellation Clause	It is hereby agreed that this policy shall not be cancelled or materially altered without giving 30 days written notice or 10 days' notice for non-payment. Must be stated on Certificate.

Upon Binding, an electronic copy of the insured's policies shall be delivered to the New York City Housing Development Corporation at: Insurance@nychdc.com