



ADDENDUM III

SUBJECT: Rental Housing Production, Rehabilitation, Preservation and Acquisition Gap Funding, (RFP 25-030, 6100018691), Scheduled to Close: January 24, 2025; Date of Issue: Tuesday, December 10, 2024

FROM: Stacey L. Czachor, NIGP-CPP, CPPB
Procurement Manager

DATE: January 10, 2025

THIS NOTICE SHALL SERVE AS ADDENDUM NO. III - TO THE ABOVE REFERENCED REQUEST FOR PROPOSALS

THE ABOVE MENTIONED REQUEST FOR PROPOSALS IS HEREBY AMENDED AS FOLLOWS:

- 1. Revised: RFP Attachment A, Part 3, Non-Profit Status Form, page 67.**

QUESTIONS SUBMITTED IN ACCORDANCE WITH SECTION 011, RESTRICTIONS OF COMMUNICATION:

Question 1: At the pre-submittal conference, it was indicated that an applicant would be allowed to submit more than one proposal (for example, proposals for two distinct projects) in response to this RFP. Can you please specify the mechanism for doing this in SAePS portal? Should both sets of documents for both proposals be submitted at the same time, for instance (and how could the two sets be distinguished)?

Response: Applicants may submit multiple distinct projects as separate proposal responses for this RFP. Each proposal response must include all required information and should represent unduplicated projects. Applicant should be careful to upload all required documents for each proposal (each distinct project) and name accordingly to differentiate between each proposal's documents. For example, "Alamo Apartments - Attachment 2 – Contracts Disclosure Form" and "Houston Flats – Attachment 2 – Contracts Disclosure Form".

Question 2: At the pre-submittal conference, it was indicated that Letters of Support (asked about in the Project Summary document, Attachment A-8) are optional. What about the Letters of Reference that are requested in the General Information form, Attachment A-1? Are those required?

Response: The three references mentioned in Attachment 1 are required. However, the letters of support referenced in Attachment 8 are optional.

Question 3: Attachment A, Part 7 is "Affordability." There doesn't seem to be a "form" there. Is that a narrative response?

Response: Yes, this is a narrative response. Please follow RFP, Attachment A, Part 7 "Affordability" guidelines when submitting this section.

Question 4: Is the match for HOME funding required?

Response: The HOME Program requires that the participating jurisdiction provide match in an amount equal to no less than 25% of the total HOME funds drawn for affordable housing development project costs. All affordable housing development activities funded by the HOME program are required to document the 25% match for the purposes of the HOME Program and otherwise comply with all HOME Program requirements. Applicants should document how they will meet this requirement should they be awarded HOME funding.

Question 5: Please confirm: the requirements listed in Exhibit 9 (Underwriting Standards) such as Market Assessment and Audited Financials are only required if selected? They are not required at time of submission.

Response: This is correct. Proposals should include any audited financials, market or capital needs assessment studies as part of their submittal if available. The applicant should demonstrate the ability to meet the underwriting standards as part of their proposal or indicate any exceptions or waiver requests as part of the Underwriting Acknowledgment Form. This information will be required at time of full Underwriting review, if selected.

Question 6: In RFP attachment A, part 4: is a public facility corporation considered a "public entity" within the definitions listed in the non-profit status form.

Response: As a registered Section 501(c)(3) non-profit organization, public facility corporations may be eligible for non-profit status points under this RFP.

Question 7: CDBG/HOME Funding Requirements/ Exhibit 11 indicate that certain additional documents should be submitted as Attachment A, Part 14 such as Affirmative Fair Housing Marketing Plan, audited financials, and Environmental Assessment. Please clarify if or when these are required.

Response: To be eligible for federal funding (HOME and CDBG grant funds) as part of this RFP, all documents required as part of this RFP, including Exhibit 11, need to be submitted with the proposal. Failure to submit any documents may limit the City's ability to consider awarding certain funding, or any funding, to a proposal. The Affirmative Fair Housing Marketing Plan should be submitted as Attachment A, Part 14 to be considered for federal funding, including HOME and CDBG funding.

Question 8: Do you require narrative responses to follow any specific formatting requirements?

Response: There is not specific formatting requirements for narrative responses submitted. However, respondents are strongly encouraged to keep their responses clear and concise.

Question 9: If the project is not new construction, are applicants required to complete Attachment A, 13 (Displacement Impact Assessment)?

Response: Yes, applicants are still required to complete this attachment.

Question 10: Does my company have to currently own the apartment we plan to do rehab work on by the time we submit the proposal? We're in the process of buying it and we plan to close in late January, but it could get pushed back to February? Since this is already an

existing apartment built in 1985, is there a separate Attachment A part 11 Affordable Rental Proforma excel I need to use?

Response: Per RFP Attachment A, Part Five, development teams must own or have site control prior to award. Applicants without full site control by time of proposal submittal should demonstrate the timeline for achieving full site control. Additionally, respondents are required to fill out the project pro forma as an unlocked Excel file which is posted as a separate document on SAePS.

Question 11: We wanted to inquire about the proposals that were received in response to the recent related Neighborhood and Housing Services RFP, "Rental Housing Production & Acquisition Funded through 2022 Affordable Housing Bond and CDBG /Home Funds" (RFP 24-081, RFX 61 00017907, issued March 1, 2024), such as the one submitted for Palladium San Antonio which was recommended for award. Do you happen to know if the proposal for Palladium San Antonio or any of the other proposals received are available to view as a reference for responding to this RFP?

Response: No. However, information about each awarded project is available in the memos accompanying the public meetings related to the City Council action.

Question 12: Can you confirm that the construction loan interest is calculating correctly in the proforma? Can you issue a corrected one or can we manually input assumed interest if it is not?

Response: Construction interest should be entered in cell B9 of the "Constant Cash Flow" tab of the proforma. If the calculations are not updating correctly, please manually input assumed interest. Calculations will be reviewed as part of a preliminary underwriting analysis as part of the evaluation process.

Question 13: What is the total funding amount available and how many projects would you ideally want to see funded?

Response: Total funding amount available for this RFP is approximately \$25.7 million for eligible projects. The City reserves the right to award all or a portion of the funds to one or more projects or to not award to any projects.

Question 14: What must we submit with the application when using a Utility Allowance consultant for the Utility Allowances included in the Proforma for underwriting?

Response: Please enter assumed utility allowances in cells M60 through M64 of the "Units & Reserve" tab of the proforma. Please refer to RFP Exhibit 9 "Underwriting Standards" for more information related to utility allowances.

Question 15: Do the Prevailing wages pertain to residential where we can submit Certified payroll since current pay meets or exceeds residential Davis-Bacon wages, or is it equal to Commercial wages?

Response: Residential projects for Davis-Bacon purposes are those involving the construction, alteration, or repair of single-family houses or apartment buildings of no more than four (4) stories in height. It is imperative that all work classification(s) performing work at the site and corresponding wage rate(s) to be paid appear in the wage decision. The City of San Antonio will make a determination of applicability for any proposal awarded federal grant funding.

Question 16: Are the Smart Green Ready Requirements extra from Level 2 or 3, or must they be met to meet Level 3 requirements?

Response: Respondent is encouraged to support green building objectives of the SA Tomorrow Sustainability Plan and the SA Climate Ready Plan by being required to meeting Level 2 Certification from Build San Antonio Green (BSAG) or equivalent. Priority will be given to projects meeting BSAG Level 2 Certification or higher.

Question 17: Climate-Ready Energy Resiliency Requirements: Is it separate from Level 2 or 3, or is it required to meet Level 3?

Response: No, not required to meet Level 3 Certification. Climate-Ready Energy Resiliency Requirements are examples of sustainability features that may be used in projects. See response for Question 16.

Question 18: Health and Climate Ready Health Requirements again: Is it required for Levels 2 or 3, or is it something additional?

Response: See response for Question 16.

Question 19: What is the difference between Levels 1-4 Universal Design Accessibility and Levels 1-3 Energy Requirements and Green Requirements?

Response: Please see RFP Exhibit 13 (posted as a separate document) for BSAG requirements and see RFP Exhibit 14 for Universal Design Guidelines distinguishing different level requirements on page 55.

Question 20: If we meet Level 2 or 3 in the Universal Design categories, do we still get extra points for meeting Level 2 or 3 in the Build SA Green requirements, or does it only affect the scoring if we meet Level 4 Universal Design Categories?

Response: Projects will be evaluated on their ability to meet or exceed the various criteria as part of this RFP. Each proposal should respond based on the individual criteria. Projects meeting Universal Design Level 4 can score higher than a lower level project for that category.

Question 21: When it states that 100% of all ground-floor units must be accessible for persons with mobility disabilities, does it mean that all of those units have to meet ADA requirements or that they are wheelchair accessible? The same question applies to the hearing and visual units.

Response: Yes, projects receiving funding must provide 100% of units with universal design (must meet or exceed Unified Development Code) as described in Level 2 Universal Design, as required by federal law, with a minimum of one ADA compliant pedestrian route to each unit. Projects may satisfy this requirement by adhering to the San Antonio Housing Trust's Multi-Family Universal Design Standards here <https://sahousingtrust.org/wp-content/uploads/2024/06/SAHT-Universal-Design-Standards-2024.V1.pdf>.

Question 22: For the 50% AMI and 30% AMI rental units, does that mean lease the units to tenants who earn 50% and 30% AMI or keep the rents at those specific levels? For example, 30% AMI for a 1 bed is \$531/month and a 2 bedroom is \$597/month, do I need to keep 15% of the units at these rent levels at all times even if the tenant earns over 30% AMI? Also, do I need to specify which units on the property are reserved for those earning that income or can the unit mix change as residents move? Example, if I have 30 A1 floor plans, would I need to call out 10 units A1 Market Rate, 10 units A1 50% AMI and 10 units A1 30% AMI?

Response: Responses should include the proposed affordability for the project based on Area Median Income. While not required, projects that include income-based housing are prioritized as part of this RFP. The proforma excel template asks for a breakdown of units by number of bedrooms and AMI. The designation of affordable units can change over time, as long as the total number of affordable units remains the same within the project.

Question 23: The RFP “Exhibit 9: Underwriting Standards” says that it “applies only to the selected successful proposals”. Does this mean that these requirements will be due at time of award not with the RFP application? Can you clarify the requirements and timing of the market study for the application?

Response: Proposals should include any market or capital needs assessment studies as part of their submittal. The applicant should demonstrate the ability to meet the underwriting standards as part of their proposal or indicate any exceptions or waiver requests as part of the Underwriting Acknowledgment Form.

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