



ADDENDUM II

SUBJECT: Affordable Single-Family Housing Development Gap Funding (RFP 25-032, 6100018693), Scheduled to Close: January 24, 2025; Date of Issue: Tuesday, December 10, 2024

FROM: Jessie Hinojosa
Procurement Manager

DATE: December 23, 2024

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

QUESTIONS SUBMITTED IN ACCORDANCE WITH SECTION 007, PRE-SUBMITTAL CONFERENCE:

On Friday, December 20, 2024, the City of San Antonio hosted a Pre-Submittal Conference to provide information and clarification for the Affordable Single-Family Housing Development Gap Funding. Below is a list of questions that were asked at the pre-submittal conference. The City's official response to questions asked is as follows:

Question 1: If a developer owns land, can I build on the land? How does the funding work and what scenario can it be used for? Is this a loan, a grant, does the City buy the housing?

Response: The City is seeking proposals from applicants that require gap funding to complete projects involving the development of new construction and/or rehabilitation of affordable single-family homes. After construction completion, the applicant would sell the properties to eligible low-income buyers who meet the requirements of the HOME and CDBG funding, as dictated by HUD and the City of San Antonio.

At the time of application, an applicant can own, have a right to purchase, or purchase agreement of property proposed for development. Funding could be in the form of a loan or grant, as dictated by the City Council-approved Program Policies for HUD-funded Affordable Housing Activities located at: <https://www.sa.gov/files/assets/main/v/2/nhsd/documents/program-policies-for-hud-funded-affordable-housing-activities-fy-2022-update.pdf>.

Question 2: What is the "affordable criteria" for a housing unit in San Antonio for home sales prices?
Response: HOME and CDBG funding have income limit requirements established by HUD at: <https://www.sa.gov/files/assets/main/v/3/nhsd/documents/2024-hud-limits-summary.pdf>. The City reserves the right to consider more restrictive income limits than prescribed by HUD as part of its evaluation for this RFP.

Question 3: Are applications required to identify all other sources of confirmed construction loan financing? Is confirmation (i.e., approval) of these financing sources required to apply?

Response: To allow for the required underwriting and subsidy layering review, all proposals should submit a development budget and pro forma that indicates each source of funding in the project covering the total development cost other than the gap funding being sought as part of this RFP. Documentation showing commitment or approval of each funding source (i.e., loan, line of credit, grant or self-financing) listed on the development budget and pro forma should be included.

Question 4: Will this round allow for homebuyers earning up to 80% of AMI?

Response: Yes, HOME funding included in this RFP requires housing units to be sold to homebuyers earning 80% of AMI or less.

Question 5: If the lots have already gone through environmental review, will we be required to go through another one?

Response: All environmental reviews must be prepared by a City-approved environmental consultant. An approved environmental review record from the City of San Antonio is valid for five years from its approval. If an environmental review was conducted by an environmental consultant other than those approved by the City of San Antonio, a supplemental review by one of the City's approved consultants will be required if awarded funding.

Question 6: My initial look at the application is that there is no attachment for the Executive Summary, is there an attachment missing?

Response: The Executive Summary should be uploaded with the respondent's proposal. Please refer to RFP Section 008 – Proposal Requirements for an explanation of what is required with this attachment response.

Question 7: Is it a requirement for the acquisition properties to be in low-income category locations?

Response: The location of projects must be within the boundaries of the City of San Antonio. Projects are not required to be located within any specific area, however, the equity score of a project location will be considered as part of the evaluation of each proposal. New construction will be prioritized in the urban core, specifically within the Community Revitalization Action Group (CRAG) Area. Refer to the RFP on describing location amenities, equity scoring, and refer to RFP Exhibit 14 for more information on the CRAG.

Question 8: Is the City of San Antonio not requiring respondents who partner with a Public Facility Corporation to utilize the San Antonio Housing Trust Public Facilities Corporation as its development partner this time? I don't see it in the RFPs, but I want to make sure I'm not missing it?

Response: There is no requirement to partner with a PFC as part of this RFP 25-032 for affordable single-family housing.

Question 9: How much weight does the audited financial data analysis hold on the final score? It was a costly effort for us to do this by a CPA

Response: Please refer to RFP Section 12 – Evaluation of Criteria for the points allocation for each of the criteria being reviewed.

Question 10: Is there a funding limit per project request?

Response: Per the RFP, the scoring committee will take under advisement the gap request in terms of the requested subsidy cost per unit in comparison to another Applicant's subsidy cost

per unit. All proposals will undergo an underwriting and subsidy layer review prior to contract execution and commitment of funding. Applicant should refer to HOME per unit subsidy limits for San Antonio at:
<https://www.sa.gov/files/assets/main/v/3/nhsd/documents/2024-hud-limits-summary.pdf>.



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