



RFP ADDENDUM #1

To: All Bidders

From: Rita V. Brousseau, Chief Procurement Officer

Date: April 29, 2024

Re: RFP 2024-2 Development Partner

This Addendum modifies and forms a part of the Bid Set documents dated April 3, 2024.

This Addendum consists of the following: Two (2) typed pages.

Where any items called for in the bid documents are supplemented here, the supplemental requirements shall be considered as added thereto. Where any original item is amended, voided, or superseded here, the other provisions of such items not specifically amended, voided, or superseded shall remain in effect.

THE NUMBER OF THIS ADDENDUM MUST BE ENTERED IN THE APPROPRIATE SPACE PROVIDED ON "GENERAL BID FORM."

Answers to Bidder's Questions:

- Question:** Would LHA allow a 9% LIHTC project instead of 4%?
Answer: The Authority will consider 9% LIHTC proposals, but please ensure proposals acknowledge EOHLC's guidelines on allowable eligible basis and maximum per-project allocation amounts. EOHLC's Qualified Allocation Plan contains these guidelines. Please indicate whether the proposal adheres to QAP guidelines or will request an allocation in excess of the typical amounts stated in the QAP. Furthermore, expediency is a goal for the Authority. Please address in your development schedule the potential for longer lead time in securing a 9% allocation vs. 4% allocation and any potential contingency planning if credits are not initially secured.
- Question:** Would the ownership allow 60% AMI units for the LIHTC rents instead of 80%?
Answer: Yes. Please indicate the LIHTC minimum set-aside test that your proposal adheres to, e.g. the 20/50 test, the 40/60 test, or income-averaging with LIHTC units up to 80% AMI. The Authority's preference is to include some units at 80% AMI in order for any existing or waitlisted public housing households to be eligible for occupancy.
- Question:** Will there be a preference for respondents using the current consultants working with the LHA?
Answer: No, the current consultants are contracted and only work for the LHA.



4. **Question:** Has the LHA been in contact with EOHLC to update them on this project?

Answer: Yes.

5. **Question:** How will the current parking behind Lot 2 play into the development?

Answer: Please refer to Page 48 of the ZED Analysis (Attachment A) for a proposed treatment of the existing parking lot behind Block 2. Respondents should assume no additional parking spaces on the existing parking lot will be available to the project beyond those shown in the ZED Analysis.

6. **Question:** How will the developer free work with the co-developer?

Answer: Please refer to Section 4.0.14(B). Respondent should propose a development fee sharing arrangement with the Authority Affiliate to include (a) development fee splits between Development Partner and Authority Affiliate, and (b) timing and amount of development fee payments made to each party. Please include paid fee and any deferred development fee in the proposed fee sharing arrangement.

7. **Question:** Under Section 2.2.3, will there be ground lease payments assumed by the developer during construction?

Answer: The Authority anticipates executing a long-term ground lease with the project owner entity or entities at financial closing. Any lump-sum and/or annual ground lease payments would be made by the owner entity or entities to the landowners noted in Attachment C. Please refer to Section 4.0.14(E): The Authority expects Respondent to state its proposed method for treating or compensating for land value being covered under a long-term ground lease with the Authority or Authority affiliate. The proposed method may be no payment, a lump-sum ground lease payment at closing, annual payments from cash flow, or a combination of lump-sum and annual payments. Please indicate any proposed payment amounts. A full appraisal will be conducted as part of predevelopment but not in advance of the submission deadline. For an approximation of land value as appraised, Attachment B, Development Uses lists the assessed land value of Blocks 1 and 2 combined, under the "Site Acquisition Cost" line-item.

END OF ADDENDUM #1