	Solicitation Addendum #2	City of Phoenix Neighborhood Services Department 200 W. Washington St., 4 th Fl. Phoenix, AZ 85003
	Solicitation Number: NSD-RFP-24-002 Solicitation Due Date: Friday, March 22, 2024, by 2:00 p.m. local Phoenix time	

**PURCHASE AND DEVELOPMENT OF
SELECT CITY-OWNED PARCELS LOCATED IN THE
SUNNYSLOPE/VILLAGE CENTER NEIGHBORHOODS**

VENDOR’S INQUIRIES AND CITY’S RESPONSES

Q1. I have the Addendum filled out and can scan and email it to you, but where can I find a copy of the Request for Proposal?

A1. Please refer to the formal solicitation (NSD-RFP-24-002) for submission instructions and requirements. All Addendums posted during the solicitation period must be included in submittal packets. The proposal packet and related information can be found here: <https://solicitations.phoenix.gov/Solicitations/Details/1698>.

Q2. How do you register for the January 17 Pre-Proposal Meeting and where is it being held?

A2. Proposers were encouraged to attend the pre-proposal meeting on Wednesday, January 17, 2024, at 11:00 a.m. via Webex or conference call. Registration was completed at: <https://phxyou.webex.com/weblink/register/r2c9899f307c10fd8a9a1534f48c807c0>.

Q3. I’ve tried to open the registration link but unable to access it. Can you help?

A3. Addendum 1 contained an updated instruction for the Pre-Proposal Meeting. It was posted and can be found here: <https://solicitations.phoenix.gov/Solicitations/Details/1698>. This Addendum must be signed by an authorized representative and included in your proposal.


Q4. Will the Webex meeting recording be sent out to the attendees?

A4. The presentation was posted to the RFP solicitation webpage. A notification was sent out informing the attendees that it was available.


Q5. Can the City give any gleaning on any development incentives that may be available or provided?

A5. Please refer to page 13 in the NSD-RFP-002, Section II. C. 7.

Q6. Can the City give any gleaning on the availability of HUD LIHTC?

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<p>A6. Low-income housing tax credits are administered by the Arizona Department of Housing (ADOH). Further information can be found on ADOH’s website at Rental Development Arizona Department of Housing (az.gov).</p>
<p>Q7. Does the City know if there was anything previously located on the Lot in Package #3?</p> <p>A7. When the site was acquired by the City it was a mobile home trailer park.</p>
<p>Q8. If we win the bid for package #1 and decide to put multifamily on there for example - 40 units how many units will need to be allocated to the city?</p> <p>A8. Please refer to page 6 in the NSD-RFP-002, Section I. E. 4. In your example, a minimum of 20 units would need to be made available to households at 80% AMI or below. No units are allocated to the City.</p>
<p>Q9. You mentioned that we needed to find funding for this project, is that correct? I read that it can be a forgivable loan. What's the requirement to maintain the status?</p> <p>A9. There is no confirmed, identified, or guaranteed City funding or other assistance, such as a forgivable loan for these projects. Documentation is to be provided that demonstrates the proposer’s financial capacity to execute and complete the proposed development successfully. Please refer to page 16 in the NSD-RFP-002, Section III. B. 5 and page 13 in the NSD-RFP-002, Section II. C. 7.</p>
<p>Q10. Will the city expedite plans for the project i.e., permits, zoning, and variances that are required or will it take 6 months to 2 years to get approval to even start the project?</p> <p>A10. Currently, there are no plans to expedite permits or entitlement processes such as rezoning and variances. All reviews will follow established Planning and Development processes. For more information, please visit https://www.phoenix.gov/pdd/development/permits/residential and https://www.phoenix.gov/pdd/development/permits/commercial/general-information.</p>
<p>Q11. If I am awarded the contract, what is the deadline to have the project finished?</p> <p>A11. Please refer to page 15 in the RFP Section III. B. 2. f.</p>
<p>Q12. Does acquiring a tri-plex count as a previous development project or would I have to do it from the ground up to apply?</p> <p>A12. If property acquisition was one of the activities in the project scope, then yes it would count. One of the minimum qualifications is that ‘A member of each proposing team must have experience completing and managing at least one residential and/or multi-family development project in the last five years.’ Please refer to page 5 in the NSD-RFP-002, Section I. E. 3.</p>

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Q13. You stated a \$5000 cashier check for the proposal guarantee is required with all proposal submittals. If I don't get awarded the contract, is the proposal guarantee refunded?

A13. Please refer to page 6 in the NSD-RFP-002, Section I. H.

Q14. Are we able to schedule a call with you to discuss the RFP further or can you share with us the minutes of the pre-proposal meeting from the 17th?

A14. The presentation and attendee list for the Pre-Proposal Meeting was posted on January 18, 2024, and can be found here: <https://solicitations.phoenix.gov/Solicitations/Details/1698>.

Q15. What are the benefits for us as builders/developers to buy the lots directly from the City of Phoenix? Are we getting any subsidies or discounts?

A15. Please refer to page 13 in the NSD-RFP-002, Section II. C. 7 and Section II. D.

Q16. Do the written questions need to be hand delivered or will email suffice?

A16. Emailed questions were accepted until 2 pm on January 30, 2024.

Q17. Does the City of Phoenix have any additional due diligence material on the parcels offered in Package 2 and Package 3 including a Phase 1 ESA, title report and ALTA?


A17. Although the Phase I Environmental Site Assessment reports for Package 2 and Package 3 were completed over 5 years ago, they will be made available and posted to the solicitation webpage. An email will be sent notifying you that the reports are available to review and download. Neither Package has title reports or ALTA Surveys.

Q18. Under I. RFP Process, Letter E, the solicitation states: "A member of each proposing team must have experience successfully completing and managing at least one residential and/or multi-family development project in the last five years." Does the member with experience completing a multifamily project also need to have experience managing, or can another member of the team have experience in managing a multifamily development?

A18. The member with experience completing a multifamily project does not need to have experience managing a multifamily development and vice versa. The proposal needs to convey that the proposing development team meets the minimum qualification as stated. Please refer to page 5 in the NSD-RFP-002, Section I. E. 3.

Q19. There appears to be a conflict in the requirements, specifically between Minimum Qualifications, number 3 and Attachment A, Page A-3 in the number of projects (one vs. three) as well as size and scope (one residential and/or multi-family vs a similar size and scope as described in this RFP). Can you please clarify this apparent conflict?

A19. The minimum qualifications stated in Section I. E. 3. are for the members of the proposing team while the References to be furnished in Attachment A, Page A-3 are for the Lead Proposer/Developer, not other team members.

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Q20. Do the team members with prior multifamily development experience and prior management experience need to show experience developing and managing specifically AFFORDABLE housing projects or will market rate developments meet this requirement?

A20. A detailed description of the proposed development team’s qualifications and experiences is required. Proposer needs to include developing, completing, and managing comparable projects, both market rate and affordable housing projects. Market rate development projects are acceptable; however, the proposal needs to demonstrate the ability to develop and manage affordable housing projects, either through the Lead Developer or other team members.

Q21. What is the definition of Affordable Housing regarding this solicitation? Is it 80% AMI or a fully affordable 60%>AMI LIHTC development?

A21. The City of Phoenix defines affordable housing as units made available to households at 80% AMI and below. This solicitation utilizes the same definition. Proposals must demonstrate that a minimum of 50% of the proposed units meet this requirement. A fully affordable 60% AMI LIHTC development would also meet the affordability requirement.


Q22. Can you provide the calculation/formula that we can use to calculate rent for an efficiency, 1 bed, 2 bed and 3 bed apartment units for low and moderate-income households? Or direct me to what HUD is stating as AMI and what percentage of that AMI is towards rent only vs utilities and other expenses? And what would the calculation/formula be for sale units?

A22. Area Median Income (AMI) and Median Family Income (MFI) are often used interchangeably. HUD uses the term MFI as it bases the measure on a four-person household. HUD’s income limits are based on the number of persons per household. Using the provided link within the RFP document, and accessing the HUD data set, you will see that the Phoenix Metro Median Family Income is \$99,000. “Low-Income” is the 80% AMI threshold. HUD provides a methodology document that details this and other calculations. Here is a direct link to a methodology document: <https://www.huduser.gov/portal/datasets/il/il23/IncomeLimitsMethodology-FY23.pdf>

As an example, for a four-person household, that is an income limit of \$74,800. No more than 30% of a household’s income can go towards their housing cost. For this example, that formula results in an approximate maximum monthly housing cost of \$1,870.

HUD updates the income limits annually, around May of each year. The Arizona Department of Housing (ADOH) also provides income/rent limits based on the federal funding: <https://housing.az.gov/documents-links/forms/rent-limits>.

Q23. Do we need to register, complete an application or sign up to be able to submit for the RFP? Or just have all the documents ready and submitted by the deadline stated on the RFP?

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A23. There is no preliminary registration or reservation required to submit a proposal. Proposals need to be hand delivered to the address listed on page 1. Please refer to page 13 in the NSD-RFP-002, Section III. Proposal Instructions.

Applicant must acknowledge receipt and acceptance of this Addendum by returning the [entire signed Addendum with the application submittal](#).

Date: _____, 2024

Name of Company: _____

Address: _____

Print Name and Title: _____

Authorized Signature: _____

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