

**ADDENDUM 2****VENDOR'S INQUIRIES AND CITY'S RESPONSES**

Please make the following changes to the above-referenced solicitation:

**QUESTIONS AND ANSWERS:**

Note: Spelling, grammar, and punctuation of the questions are shown exactly as submitted by the potential respondents.

	<b>Question</b>	<b>Answer</b>										
1.	Attachment A, Questionnaire- Question 8- Should the proforma be combined for all 5 properties? Or separate? If separate should, Las Cascada I & II be separate or combined?	A proforma should be prepared separately for each property, such that there are individual proformas for five properties, with La Cascada I & II being treated as two separate properties.										
2.	What is the current delinquency on each property?	<p style="text-align: center;"><b>Delinquency as of 07.31.2024</b></p> <table border="0"> <tr> <td><b>Cypress Manor</b></td> <td>0.49% (\$241.42)</td> </tr> <tr> <td><b>La Cascada I</b></td> <td>11.34% (\$2,163.41)</td> </tr> <tr> <td><b>La Cascada II</b></td> <td>24.89% (\$4,703.55)</td> </tr> <tr> <td><b>Foothills on the Preserve</b></td> <td>8.80% (\$9,462.20)</td> </tr> <tr> <td><b>Sand Dollar</b></td> <td>2.63% (\$1,224.07)</td> </tr> </table>	<b>Cypress Manor</b>	0.49% (\$241.42)	<b>La Cascada I</b>	11.34% (\$2,163.41)	<b>La Cascada II</b>	24.89% (\$4,703.55)	<b>Foothills on the Preserve</b>	8.80% (\$9,462.20)	<b>Sand Dollar</b>	2.63% (\$1,224.07)
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3.	Are there any past due recerts? If so, how many at each property?	<p style="text-align: center;"><b>Outstanding Resident Recertifications (as of 07.31.2024)</b></p> <table border="0"> <tr> <td><b>Cypress Manor</b></td> <td>2 (96.88% "on time" completion)</td> </tr> <tr> <td><b>La Cascada I</b></td> <td>17 (54.05%)</td> </tr> <tr> <td><b>La Cascada II</b></td> <td>15 (58.33%)</td> </tr> <tr> <td><b>Foothills on the Preserve</b></td> <td>70 (51.39%)</td> </tr> <tr> <td><b>Sand Dollar</b></td> <td>17 (75.71%)</td> </tr> </table>	<b>Cypress Manor</b>	2 (96.88% "on time" completion)	<b>La Cascada I</b>	17 (54.05%)	<b>La Cascada II</b>	15 (58.33%)	<b>Foothills on the Preserve</b>	70 (51.39%)	<b>Sand Dollar</b>	17 (75.71%)
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4.	Could you provide a list of the rent-restricted programs at each property?	There are no property-wide, rent-restricted programs at the properties (see question #5), however City of Phoenix Housing Department is a party to the following set aside partnership agreements:										



		Property Name	Unit Count	Unit Size	Rental Rate Restriction	Renewal Rent Restriction (Cap)
		Cypress Manor	1	2x1	\$450	\$0
		Foothills on the Preserve	2	2x2	\$450	\$0
		Foothills on the Preserve	2	1x1		10% on Annual Renewals
5.	How many market rate units are at each property?	All units in Group A are considered "market rate," as their rents are not restricted and not subject to external housing affordability restrictions or regulatory requirements. However, on its own accord the City of Phoenix Housing Department limits occupancy to households earning no more than 80% of the Area Median Income and sets rents accordingly.				
6.	Do the properties have a relationship with the local police department?	In addition to informal relationships with the Phoenix Police Department, individual City properties participate in the Phoenix Crime Free Multi-Housing Program (a three-level certification program). See below for the certification expiration dates.				
		Community Name	Phase I	Phase II	Phase III	
		Cypress Manor	4/24/2027	3/24/2027	6/4/2025	
		Foothills on the Preserve	4/24/2027	Certification Expired	Certification Expired	
		La Cascada 1	9/21/2025	Certification Expired	Certification Expired	
		La Cascada 2				
		Sand Dollar	9/20/2026	7/26/2026	Certification Expired	
7.	What is the current monthly budget for courtesy patrol at each property?	Currently there is no monthly budget allocated for courtesy patrols at any Group A property.				
8.	The RFP states the required insurance for vendor/PMC. Where and how	<u>Section 7.1</u> details the required liability insurance that the Contractor firm must obtain <i>corporately</i> at the				



	<p>do we address our insurance requirements for the owner and how we need the COI to read in order to include PMC as additional insured? There is no question in the RFP asking for insurance requirements or expectations other than what owner requires of PMC.</p>	<p>Contractor’s expense. The City of Phoenix must be named as an additional insured on the Contractor’s policies.</p> <p><u>Section 7.2</u> details the Commercial General Liability (CGL) insurance that the Contractor is required to procure for the benefit of the <i>property</i>. The cost of such insurance shall be at the property owner’s expense and, at the City’s direction, shall be processed by Contractor as an operating expense of a property. The policy must name the City of Phoenix as a named insured – with the site/property name referenced; the Contractor may be an additional insured on the site CGL policies.</p> <p>Property insurance (as distinct from the liability insurance policies described above) is currently being handled directly by the City.</p>
<p>9.</p>	<p>2.1 States the " property management services for a (5) year period with the option for (5) one (1) year renewal periods." 5.1 Term of Contract states "a period of two (3) years . This contract includes three (3) one-year options to extend the term, for an aggregate five (5) years.) Is the contract for 5 years with five 1 year options to renew or 2 years with 3 one-year options?</p>	<p>5.1. Term of Contract shall now read: The term of this Contract will commence on or about October 31, 2024, depending on the timing of the transition and will continue for a period of <b>five (5) years</b> thereafter. This Contract includes five <b>(5) one-year options</b> to extend the term, for an aggregate <b>ten (10) years</b>, which may be exercised by the sole discretion of the City.</p>
<p>10.</p>	<p>3.3 I. Contractors are not permitted to utilize temporary labor, defined as labor that are not full-time employees of the contractor, to fill vacant administrative or maintenance positions. May temporarily be utilized when a position is open to assist with those responsibilities they may be involved in. Understanding they are not filling a vacant position only assisting with some task they are able to?</p>	<p>Specific requests by the Contractor regarding the use of temporary labor will be addressed by the City of Phoenix Housing Department on a case-by-case basis.</p>



11.	3.6 States " Annual Report and Financial Statements prepared by a CPA." Typically an outside CPA and auditor are used for any annual reports or statements for any of the HUD and/or affordable properties we manage. The cost is borne by the property, not the management company. The Owner of the asset approves the outside firm used. Management assists the auditor with the financial reporting package. Please clarify if this is the correct process.	The process described in the question is correct. Annually, the City of Phoenix will engage an external auditor to perform an audit of the property's books and records. The management company must provide requested documentation to the auditor and answer questions about the property's operation, accounting procedures, and financial records. The cost of this audit will be an expense of the property, not the management company.
12.	Please confirm if the properties are under a master or individual key system.	All properties operate on an individual key system.
13.	When was the last remodel or partial remodel if any for the assets? What was included in the last remodel?	La Cascada I: None recently La Cascada II: None recently Foothills on the Preserve: Playground 2018, pool fence 2016 Cypress Manor: None recently Sand Dollar: Balconies/decks and upgraded HVAC 2020
14.	When were the roofs on each asset replaced?	La Cascada I: Roof is reportedly original (1963) La Cascada II: Roof is original (2002) Foothills On the Preserve: Roof replaced 15 years ago (estimated) Cypress Manor: Flat roof replaced in 2016 Sand Dollar: Roof replaced in 2020
15.	Are there underground leaks at the property? How many in the last year?	La Cascada I: None reported La Cascada II: None reported Foothills On the Preserve: None reported Cypress Manor: 4 reported and repaired in 2023 Sand Dollar: None reported
16.	Will all furniture and equipment in the leasing offices and maintenance shops require replacement or does the inventory currently on the site remain at the property?	All existing furniture and equipment in the leasing offices and maintenance shops is property of the site and will remain at the site.



17.	Do they have any low income, LIHTC, bond programs etc.	None of the units in Group A are subject to Low Income Housing Tax Credit (LIHTC) or housing bond program requirements. As such, all units are considered "market rate," as their rents are not restricted and not subject to external housing affordability restrictions or regulatory requirements. On its own accord, the City of Phoenix Housing Department limits occupancy to households earning no more than 80% of the Area Median Income and sets rents accordingly.
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The balance of the specifications and instructions remain the same. Bidder must acknowledge receipt and acceptance of this addendum by signing below and returning the entire addendum with the bid or proposal submittal.

Name of Company: \_\_\_\_\_

Address: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_