



## ADDENDUM 1

(please sign and return with the submittal)

### QUESTIONS AND ANSWERS:

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

No.	Question	Answer
1.	Will the city of Phoenix's HD provide an evaluation and scoring criteria sheet that breaks down the points system for this CFI?	The evaluation criteria breakdown is listed in Section III – Proposal and Evaluation Requirements, paragraph 2. Evaluation Criteria.
2.	Can you clarify some details on this grant repayment information if we were to go with the new construction for affordable housing. What would ownership percentage look like and what percentage would be repaid of the loan if any. We're looking to develop multifamily homes on a land we have already paid off.	The City does not participate in the ownership of the projects. The City offers funding in the form of low-cost loans which are secured on the projects through a Deed of Trust and a Declaration of Land Use Restrictive Covenants (LURA). Typically funding is provided as either a 2% hard note or a 4% cash flow note paid over the course of 40 years. Non-profits may be eligible for forgivable notes if the project meets specific requirements. The exact terms of the award are determined during the City's underwriting process.
3.	Where can we find requirements for Build America, Buy America?	<a href="https://www.hud.gov/baba">https://www.hud.gov/baba</a> <a href="https://www.hudexchange.info/">https://www.hudexchange.info/</a>
4.	How does the phoenix funding get distributed? In putting together the proforma, how do your commend we account for the phoenix funding and timing of that funding?	The City distributes funding in several tranches as the project meets certain completion milestones. The City distributes 50% of the award at 60% completion and the remaining 50% at 90% completion. A 10% retention payment is held from each disbursement until the project is complete and all requirements of the City contract have been met.
5.	Follow up question - there will only be 4 projects or up to 4 projects awarded?	The City is estimating 4 projects awarded at this time. The final number will depend on several factors including the number of applicants, and the amount of funding available.
6.	Is there a desired unit mix or number of units for a single project?	There is no desired unit mix. If two projects are tied in scoring, the tiebreaker may be determined by the total public benefit proposed by the project whether that be the total number of HOME units or affordable units in the project.



7.	Are certain HOME targeted populations preferred and will receive higher scores? Or will all be considered equal?	All HOME targeted populations will be considered equally.
8.	Are there specifications for the services provided? (ie, amount spent per client, etc.)	There are no specifications for the services provided but they must be appropriate for the population being served.
9.	Is there someone we can contact about zoning for this program?	You may contact Heather Klotz to process the zoning confirmation form at: <a href="mailto:heather.klotz@phoenix.gov">heather.klotz@phoenix.gov</a> Keep in mind it may take 3-4 business days to process these requests.
10	A handful of third-party reports are required with the application (appraisals, market studies, environmental reports) – is there an expiration date for these third parties?	Market studies are generally good for 120 days and appraisals and environmental reports are good for 6 months. These items should be up to date at the time of submission.
11	With utility allowances, do we need an official study conducted by a consultant? Should we use the schedule published by Housing Authority of Maricopa County? Are both acceptable?	For the HOME units committed by the developer for this application we require that the utility allowance meet the following requirements as described in the following link:  <a href="https://www.phoenix.gov/housingsite/Documents/Utility_Allowance_Fact_Sheet.pdf">https://www.phoenix.gov/housingsite/Documents/Utility_Allowance_Fact_Sheet.pdf</a>  The utility allowance for the remaining units can be based on the other funding requirements the property is subject to such as Low Income Housing Tax Credit
12.	There's a 2023 HUD Median Income and Rent Schedule published on the City of Pheonix website, outlined in the application as what to use for rents. If different than the attached, is there a 2024 version available?	The updated rents for HOME units can be found here: <a href="https://www.phoenix.gov/housingsite/Documents/HOME_Fact_Sheet.pdf">https://www.phoenix.gov/housingsite/Documents/HOME_Fact_Sheet.pdf</a>
13.	UDG might be seeking additional subordinate loan funds, and some lenders have expressed desires to be in the second lien position; is the City open and willing to subordinate this loan as the third lien position?	The City's preference is to be in second position and will depend on the other funding sources and will be negotiated as part of underwriting/contract negotiation. The City's LURA will need to be in a priority position to all debt.
14.	Could the Pro Forma Tab V be provided in Excel?	The Pro Forma can be provided in either excel or PDF format.



15.	We have a handful of questions about the community outreach requirements – could we set up 15-30 minutes for a call to quickly run through this?	All questions should be in writing prior to the deadline. We can not discuss the requirements on a one-on-one basis.
16.	Are there any specific details that we need to show on our site plans and elevations?	There are no specific requirements for the site plan and elevations at the time of application. Should the project be awarded a complete plan set will be required prior to closing.

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: \_\_\_\_\_