



Oakland Housing
Authority

RFP #13-040
Financial Consulting on Low Income Housing Tax Credits (LIHTC) Purchase
Options

Addendum #1

Date issued and released: April 15, 2014

Responses to Questions:

Question 1: The RFP requests the fee be identified in terms of a two-year contract. However, given that the timing of the work may flex, can we propose a fee based on work per project?

Answer 1: Please refer to the revised Exhibit A.

Question 2: With respect to each of Linden and Chestnut, could you please confirm which entity acts as the General Partner for each of Linden and Chestnut?

Answer 2: The Chestnut Linden HOPE VI development is owned by Chestnut Linden Associates, LP. The General Partner of Chestnut Linden Associates, LP is BRIDGE Housing Ventures, Inc. a wholly controlled nonprofit affiliate of BRIDGE Housing Corporation. The Chestnut Linden HOPE VI development is a single 9% tax credit HOPE VI mixed finance development.

Question 3: Please confirm that the land is owned by OHA and leased to the partnership.

Answer 3: The Chestnut site is on land owned by the OHA and leased to the partnership. The Linden site is on land owned by Chestnut Linden Associates, LP.

Question 4: Please confirm the role that BRIDGE and OHA play in each of these projects.

Answer 4: A wholly-controlled affiliate of BRIDGE is the Managing General Partner of Chestnut Linden Associates, LP. The OHA has representation on the board of Chestnut Linden Inc. Chestnut Linden Inc. is a Special Limited Partner of Chestnut Linden Associates, LP.

Question 5: Please confirm that there is one limited partnership containing both the Chestnut and Linden projects.

Answer 5: There is one limited partnership. Chestnut Linden Associates LP owns the Chestnut Linden HOPE VI development.

Question 6: Do these projects each have their own set of: reserves, capital accounts, financial statements, tax returns, etc?

Answer 6: No. The Chestnut Linden HOPE VI development was financed and is being operated as one development with one set of reserves, capital accounts, financial statements and tax returns.

Question 7: Could you clarify the legal separation between Linden and Chestnut?

Answer 7: The Linden Site land is owned by the partnership and the Chestnut Site land is owned by the OHA and leased to the partnership.

Question 8: What debt is anticipated to be outstanding on these transactions at – or around - the time the option is exercised?

Answer 8:

Chestnut Linden Court HOPE VI Development

Permanent Debt	None
Soft Debt	
OHA HOPE VI Loan	\$9,368,861
OHA Local Funds Loan	\$1,400,000
City of Oakland	\$5,300,000
World Savings AHP	\$ 604,000

Mandela Gateway HOPE VI Development

Permanent Debt	
CalHFA	\$2,000,000
Soft Debt	
OHA HOPE VI Loan	\$3,260,000
City of Oakland	\$2,500,000
City of Oakland	\$1,000,000
OHA Local Funds Loan	\$ 550,000
World Savings AHP	\$1,000,000

Foothill Family Apartments

Permanent Debt	
Hanmi Bank	\$1,400,000
Soft Debt	
Hanmi Bank AHP	\$ 575,000
OHA HOPE VI Loan	\$2,400,000

Question 9: Are the Option Periods for the ROFR and PO valid for the same time period or do they have their own start and stop dates?

Answer 9: The Right of First Refusal for the Chestnut Linden Court HOPE VI development runs throughout the second option term from 1/1-12/31/2019. The Right of First Refusal for Foothill Family Apartments and Mandela Gateway HOPE VI development are valid during the term of the option periods.

Question 10: When does the second option for Chestnut and Linden begin and end?

Answer 10: The second option begins on 1/1/2019 and ends on 12/31/2019.

Answer 11: How many PBS8 units and ACC units are on both sites? When does the contract end?

Answer 11: There are no PBS8 units included in the Chestnut Linden HOPE VI development. The unit mix across the two sites is as follows.

Property	PH Units	PBS8	Tax Credit - only	Manager	Total Units
Chestnut Court	45	0	26	1	72
Linden Court	38	0	40	1	79

There are a total of 168 units at Mandela Gateway. There are two unsubsidized manager's units, 30 PBS8, 46 ACC and 90 tax credit-only units.

There are a total of 65 units at Foothill Family Apartments. There is one unsubsidized manager's unit, 11 PBS8, 21 ACC and 32 tax credit-only units.



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Bidder hereby acknowledges this addendum:

Name of Firm: _____

Authorized Signature: _____

Date: _____

Acknowledgement of this Addendum must be included with your bid.

EXHIBIT A

Fee Proposal

PLEASE IGNORE THE FORMS ATTACHED TO THE ORIGINAL RFP 13-040 AS EXHIBIT A.

1. State your proposed fee to provide the full scope of services identified in Section 2 of RFP #13-040. Provide a separate fee for two years for each development (Chestnut Linden HOPE VI development, Foothill Family Apartments, Mandela Gateway).

1) Foothill Family Apartments Total: \$ _____

2) Chestnut Linden Site Total: \$ _____

3) Mandela Gateway Site Total: \$ _____

Grand Total of 1, 2, and 3: \$ _____

2. Document the key assumptions made in developing the fee proposal and identify any contingencies.
3. Indicate your firm's administrative fees, if any, and the hourly rates of staff that will be assigned to complete the work.

FOR INFORMATIONAL PURPOSES ONLY

List of Key Staff with Hourly Rates for Proposed Two (2) Year Fee:

POSITION	POSITION HOURLY RATE	TOTAL HOURS FOR BOTH YEARS

ADMINISTRATIVE FEES:

Description	Fee	Description	Fee
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$

The hourly rates and administrative fees identified in the proposal must remain constant for the first two years.

Identify what portions of the scope of services may need additional time beyond the two year term. The contract may be extended for a third, fourth and fifth year. If the firm

intends to increase their fees after the first two years the proposal must clearly identify the hourly rates and administrative fees for years 3 through 5.

Name of Company and Person Completing Attachment A:

Authorized Signature:

Title: _____ **Date:** _____

Address:

Telephone:

_____ **Email:** _____