



California Affordable
Housing Initiatives, Inc.

RFP #22-021 Affordable Housing Developer of 77th & Bancroft, Oakland

Addendum #3

Responses to Questions:

The following questions were submitted by the deadline and are answered in this addendum.

Question #1: In the preproposal meeting both Davis Bacon and State Prevailing wages were mentioned. Can you please explain which wages will be required?

Answer #1: If the proposed development includes rental assistance through Project-Based Section 8 vouchers, federal Davis Bacon wage and fringe benefit rates will apply. If both California State Prevailing wages and fringe benefit rates and Davis Bacon wage and benefit rates are required for the project, contractors must pay the higher of the two rates.

Question #2: Can you please give more information on the capacity of Section 8 vouchers or subsidies for this project?

Answer #2: CAHI does not have direct access to Section 8 vouchers or operating subsidies for the project. OHA will consider projects for operating subsidy or Section 8 vouchers. Developers should propose the most viable funding structure to enable the project to serve the targeted resident population, compete for outside funding if these funding sources are included in the financing plan, and be financially sustainable over the long run.

Question #3: Would you accept proposals with studios and junior suites in the unit mix for this project?

Answer #3: CAHI prefers units with a separate bedroom space (such as one bedroom units or junior suites) over studio apartments. All units should have full kitchens and baths.

Question #4: The RFP and addendum say to submit the proposal online, but the Housing Agency Marketplace website says the buyer requests that documents be mailed. Is there an option to upload the proposals online?

Answer #4: The website has been corrected and you will only be able to submit it online.

Question #5: Is there any guidance on CAHI operating subsidy and gap financing in terms of anticipated amounts available and term?

Answer #5: CAHI will consider projects with requests for operating subsidy or gap financing. Developers should propose their most viable funding structure.

Question #6: The RFP says the primary developer should be eligible for the maximum available general partner experience points in the current TCAC and CDLAC regulations. We would like to confirm that meeting the sole sponsor BIPOC Entity experience requirement for TCAC and CDLAC (CDLAC regulation 5230 (f)(1)(C), which equals the same maximum experience points, meets the intent of the RFP. There are BIPOC Entities, that are counted as emerging developers, which can demonstrate experience and financial capacity to deliver the project.

Answer #6: A sponsor BIPOC entity meeting the experience requirement to get maximum TCAC and CDLAC general partner experience points (CDLAC regulation 5230 (f)(1)(C)) would meet the RFP's minimum requirements for developer experience (see page 8 of the RFP).

A lead developer will not earn points in the "Emerging Development Partner Included with Dedicated Role" criterion unless a separate emerging development partner is included in the development team.

Question #7: The RFP requests one set of audited financial statements for the past two fiscal years of each legal entity that will be engaged in developing and/or owning the Property. Some emerging developers, who are encouraged to be part of development teams per the RFP, won't have two years of audited financial statements. What documentation, if any, is required for an entity that hasn't existed for two years?

Answer #7: Audited financials are required from any development partner that will be providing equity or guarantees.

Question #8: What is the range of expected CAHI financial involvement with the project?

Answer #8: CAHI will consider projects with requests for predevelopment, operating subsidy or gap financing. Developers should propose their most viable funding structure.

Question #9: What is the minimum parking ratio considered by OHA?

Answer #9: CAHI has established 0.5 spaces per unit as a preferred parking ratio for the site.

Question #10: What is the minimum share of 1- and 2- bedroom units in the project mix?

Answer #10: There is not a minimum share of 1- and 2-bedroom units in the project mix. The unit mix should meet the requirements of any funding sources that the project will target, including TCAC or CDLAC requirements, as applicable.

Question #11: Confirming, based on the “blank slate” comment at the pre-bid that the Property Development Requirements stated on page 19 “Construction of approximately 98 one- and two-bedroom apartments” are not required minimum unit count or unit mix for submittals.

Answer #11: Correct. As stated in the RFP, “CAHI has provided a concept drawing and unit mix illustrating the analysis completed on the site. The concept drawings and program are designed to provide guidance to the developer on the overall program for the site in order to serve the population identified. The developer may depart from this program but all proposals should reflect the intent to serve and support very low-income seniors on the site.”

Question #12: Have any specifications regarding roofing been released yet and if so where can we download them?

Answer #12: No, specifications have not been released because the project has not yet been designed.

Question #13: Does the developer for RFP projects have to be registered with the City of Oakland to submit a proposal for a RFP? If so, how does one do that?

Answer #13: You do not have to be registered with the City of Oakland in order to submit a proposal.

Question #14: How does a developer submit their proposal?

Answer #14: You have to register with Housing Agency Marketplace in order to submit your proposal online. Please note that you must select OHA as your preferred contracting entity if you do not have a subscription with Housing Agency Marketplace.

Question #15: Please confirm that there is not a Phase II report completed or planned?

Answer #15: The Phase I was provided as part of the RFP with recommendations for further action as indicated. A Phase II has not yet been performed.

Question #16: Is CAHI/OHA working with Alameda County or another regulatory agency to provide oversight / review of the environmental work?

Answer #16: CAHI is not currently in an oversight/review relationship with Alameda County or another regulatory agency regarding the environmental work.

Question #17: The RFP states that CAHI may have predevelopment resources to contribute to the project. Is there a minimum or maximum available?

Answer #17: CAHI will consider providing predevelopment funding. Developers should propose their most viable funding structure. No cap or minimum predevelopment funding has been established.

Question #18: Does CAHI/OHA have project-based vouchers available for the project? If so, how many?

Answer #18: CAHI does not have direct access to Section 8 vouchers or operating subsidies for the project. OHA will consider projects for operating subsidy or Section 8 vouchers. Developers should propose the most viable funding structure to enable the project to serve the targeted resident population, compete for outside funding if these funding sources are included in the financing plan, and be financially sustainable over the long run.

Question #19: During the pre-proposal conference, staff indicated that new design concepts are welcome and encouraged. On what criteria will the design concepts be evaluated?

Answer #19: Design concepts will be evaluated based on how well they serve the stated priorities and criteria illustrated in the RFP.

Question #20: How is Emerging Developer defined?

Answer #20: Emerging developers are defined as developers, who, on their own, could not successfully achieve full general partner experience points under TCAC/CDLAC requirements and who demonstrate knowledge and experience in the East Oakland region. The emerging developer's role should be specific and non-duplicative.

Question #21: Will partnerships with emerging consultants/vendors also be considered for "Emerging Partner" points or is that category specific to Emerging Developers that have a specific role and significant percentage of the developer fee?

Answer #21: Emerging developers are defined as developers, who, on their own could not successfully achieve full general partner experience points under TCAC/CDLAC

requirements and who demonstrate knowledge and experience in the East Oakland region. The emerging developer partner must have a meaningful and defined role in the project and clear commitment of developer fee split. Other partnerships benefitting the development are encouraged and will be evaluated as part of the overall development proposal.

Question #22: Would CAHI/OHA entertain the creation of a commercial spaces condo?

Answer #22: Beyond the stated criteria, CAHI has not limited the use program nor its legal structure in any way. Proposers should be aware that the developer must take responsibility for maintaining active operations in any commercial spaces proposed. If a commercial condo is the preferred legal structure and created, CAHI will seek to restrict the sale of the commercial space to a third party that is outside of the control of the developer, and CAHI will require an option to acquire a controlling interest in the commercial space at some time after Year 15. CAHI will require evaluation of the most advantageous legal structures to best effectuate the development use program.

Proposer hereby acknowledges this addendum:

Name of Firm: _____

Authorized Signature: _____

Date: _____

Acknowledgement of this Addendum MUST be included with your proposal.