

CHATTANOOGA HOUSING AUTHORITY

BOARD OF COMMISSIONERS

JAMES H. LEVINE, CHAIRPERSON
EDNA E. VARNER, VICE-CHAIRPERSON
CARL W. HENDERSON
EDDIE F. HOLMES
ADAM KINSEY
JEFFERY McCLENDON
JAMES F. SATTLER



ELIZABETH F. MCCRIGHT
EXECUTIVE DIRECTOR

801 N. HOLTZCLAW AVENUE
CHATTANOOGA, TN 37404-1236
TEL (423) 668-2374
FAX (423) 668-2374
TN Relay Svc 711
www.chahousing.org
MAILING ADDRESS
P.O. BOX 1486
CHATTANOOGA, TN 37401-1486

MASTER DEVELOPER – REQUEST FOR PROPOSAL (RFP) #D-952-00 ADDENDUM #1

***Signed 'Addendum Acknowledgement' form must be included in your proposal submission.
Please see attached.**

***Closing Date – Ten (10) hard copies + One Flash Drive should also be mailed to:**

**Chattanooga Housing Authority
Attn: Cihan Johnson, Project Manager, REF: RFP D-952-00 DEVELOPMENT PARTNERS
801 N Holtzclaw Ave, Chattanooga, TN 37404**

Attachments:

- Addendum Acknowledgement Form
- College Hill Courts – Phase I
- Master Developer RFP - Pre-Proposal Hybrid Meeting (Non-Mandatory) – Attendance Roster

Has a Phase 1 been completed for all sites? Can it be shared?

A Phase 1 environmental assessment has been completed for College Hill Courts (see attached) and will be updated.

Is RAD being considered for this site?

Section 18 is the preferred disposition methodology and CHA is in the process of preparing the application. If approved, CHA will apply for permanent replacement vouchers. However, if we are unsuccessful with that application, then RAD will be considered as the subsidy type for replacement units.

How many phases do you expect to complete the project? What's the timeline?

Please refer to the Transformation Plan. We are open to alternative approaches that meet or exceed the vision as outlined in the plan. We expect to apply for a Choice Neighborhoods Implementation Grant for a portion of the plan, which requires completion in 6 years so this will impact the timeline. Please refer to the Choice NOFO.

What is the role of the Chattanooga Design Studio (CDS)?

The CHA and City and CDS jointly collaborated to produce the Westside Evolves Transformation Plan. CDS will but are an important implementation stakeholder and is a member of the Implementation Working Group. CDS is a local non-profit urban design resource.

How large or extensive is the waiting list for public housing in the area?

There are over 5000 applicants currently on CHA's centralized waiting list

What is EJP's continued responsibilities? Are you looking for the developer to take the lead in developing the CNI application?

EJP worked with CHA, CDS and the City to prepare the Transformation Plan and has been retained by CHA to serve as the Implementation Program Manager. EJP will work with CHA, CDS and the City to prepare the application but will need the developer team to assist with concept plan, financing plan and related housing attachments.

Is there anything that can be shared about the status of the discussions with City concerning infrastructure?

CHA is actively in discussions with the city about opportunities for partnership and infrastructure financing.

Can you elaborate on the timing of the James A. Henry hub and Sheila Jennings Park?

A concept plan has been prepared with community input, an architect has been selected and we expect construction drawings to be prepared this year and a General Contractor selected early next year.

What is the proposed ownership and management of the HUB? Any further anchors / leases solidified?

CHA owns the James A. Henry school, and the city owns the park. Once the project is complete, the City will own and manage both amenities.

Is there any guidance on senior vs. family units based on current demographics?

The Plan assumes replacing the same number of senior units (132), but there may be some seniors who prefer to live in family developments, and we encourage the developer to be responsive to all family types.

Is CHA planning to fund abatement and demolition costs? Is CHA planning to fund resident relocation costs?

Abatement, demolition and relocation costs should be underwritten in the project proforma, costs that are often basis-eligible. CHA will work with the developer to identify funding sources, but we expect Choice will be a source for some of these line items.

Section 18 Demo/Dispo: Is your plan to secure the approvals but remain as public housing until the properties are redeveloped?

We expect a phased development, and our Section 18 application will reflect this.

The proposal mentions mixed-use. What does this include?

Non-residential uses such as community-serving retail, parks and open spaces and community amenities are contemplated in the plan. Please refer to the Transformation Plan which identifies suggested locations.

Are Dogwood and Riverview Tower still owned by CHA? Are they included in the plan?

CHA owns Dogwood Manor. Riverview Tower is privately owned but CHA has a ground lease on the land. Both sites are EXCLUDED from this RFP.

Is CHA land subject to a zoning process?

Yes, if zoning is necessary to change subject to the land use

The Chattanooga Housing Authority does not seem to have been awarded a Choice Neighborhood Planning Grant. Do you intend to apply for the Choice Neighborhood Implementation Grant without going the planning process first? If so, have you received any Technical Assistance (TA) or other correspondence that makes you confident that you will be awarded?

CHA intends to apply for a choice implementation grant and if awarded. The transformation plan and provided will be the basis of the grant application.

How is the Housing Authority's PILOT structured and what are the general terms of any tax abatement?

CHA entered into a Cooperation Agreement with the City of Chattanooga in 1968. As long as the project is owned by CHA for the purposes of "low-rent housing", it shall be tax exempt. The PILOT calculation is "shelter rent", which is 10% of rental income, minus utilities (with adjustments for tenants' accounts receivable and bad debt). For mixed-finance/LIHTC type transactions, the City Attorney will opine on the tax-exempt status of the project.

What is CHA's expected timeline to begin redevelopment? Is CHA expecting to submit a LIHTC application in 2023 or will development begin once CHA has received the CNI award?

CHA has already started the process of rehabbing the James A. Henry School building and the Park which will make way for the relocation of head start from the site currently identified as the first residential construction phase (YFD). We expect to secure a developer partner in early 2023 and once selected, work collaboratively to submit a LIHTC application at the soonest possible opportunity.

If awarded the CNI Grant, does CHA have any expectations about how the funds will be allocated between phases?

We currently estimate about \$28M to be allocated to housing and the developer is free to allocate this in a way that is most useful based on your proforma, and HUD allowable TDC guidelines.

Are there any additional affordability or land use restrictions associated with these CNI funds? What is the typical structure (amortizing, etc.)?

Yes. Please refer to the Choice NOFO.

How much, if any, of New Unit Faircloth availability is CHA willing to contribute to the developments proposed in the RFP?

Given the size of the replacement unit count, CHA does not anticipate the need to add Faircloth units to this redevelopment effort, which adds additional subsidized units.

Can you please share current resident demographics to assist with relocation and phasing planning?

Please refer to the Transformation Plan existing conditions chapter. The plan is available at www.westsideevolves.com

Besides beginning with the Youth and Family Development Campus (YFD), does CHA expect proposals to move develop phases in a particular order?

The Transformation plan suggests a phasing strategy, but developers are free to propose a phasing plan that deviates from this plan, if they feel that is more appropriate.

Could you please provide CHA's development resume? Please note LIHTC developments to assist with preliminary scoring of developments based on Tennessee 2022 QAP.

This request is unclear.

How will the Developer/Property Manager interact or partner with the entity chosen to provide supportive services?

We expect both parties will all members of the Implementation Working Group that meets regularly to collaborate on implementation matters.

Should we assume that relocation costs are covered in the project budgets?

Yes

If the plan is go through the Section 18 on certain phases, do you know approx. what percentage of project based vouchers you can replace in each new development?

Per the resident survey (also available on the project website at www.westsideevolves.com, 40% of residents indicate a preference for a portable voucher. However, our goal will be to project-base as many units feasible.

The valuation of land is mentioned in the RFP. Is CHA's intention to sell the land at FMV to the partnership or to contribute the land to the partnership in exchange for ownership?

CHA intends to retain ownership of the land, which will be made available via a long-term ground lease. We anticipate a ground lease payment based on appraised value.

The RFP notes that there can be no loss of affordable units. For clarification, is that meant at any time during construction or at the full buildout of the redevelopment the number of affordable units must remain equal to our greater than what is there currently?

The plan must return at least the same number of affordable units as exist today at the conclusion of the redevelopment effort.

Should we assume that the reference to no loss of affordable units refers to the number of affordable units owned by CHA and not those surrounding CHA property captured in the master plan?

Yes

The RFP mentions CHA's intentions to acquire adjacent property referenced in the master plan. Can you update on the status and strategy for those acquisitions?

There is no update currently as this is an ongoing effort.

What is the anticipated timing of Block XI and X in the master plan?

As stated in the RFP, we anticipate that certain parcels will be include in a choice-funded effort (YFD and College Hill) and thus subject to the 6 year choice timeline, while remaining parcels can move at a separate pace, based on funding and market conditions.

Who is responsible for demolition work?

The selected developer.

Who is responsible for relocation work?

A relocation contractor that CHA will procure.

Clarification of scoring system- how will Choice Neighborhood criteria be included in CHA's scoring?

CHA is seeking a developer partner that can evidence comparable capacity to what is proposed for Westside.

Will CHA apply for a Choice Planning Grant first – and then for an Implementation Grant? Has any work been done on these applications to date?

No. CHA has already completed its transformation plan (available on the project website). The work now is focused on implementation (James A Henry Hub) and getting ready to submit a Choice implementation application.

The RFP notes a “Fully rendered concept plan” is to be submitted. To clarify, is this providing a concept for a single first phase or alternative multi-phase “master plan ? “ We assume a single phase.

The master plan, if the proposal is different from the Westside Transformation Plan.

Similarly, the RFP notes that there are 3 priority sites (College Hill Courts, School, Tower) but the masterplan notes a total of 12 phases? Can you clarify the extent of design and phasing plan expectations in this RFP?

As noted in the Transformation Plan, development is expected on all parcels owned by CHA and the City (currently assumed as 12 blocks/phases) over time. However, Choice neighborhoods is expected to concentrate on College Hill and YFD.

Can some of the public housing units to be replaced 1:1 be located in a phase OUTSIDE of the 3 parcels listed in RFP?

We are open to exploring options outside of the parcels noted in the RFP, as long as the responder can evidence a strategy for site control

Where is CHA in the NEPA environmental review process ? Can you elaborate on the timeline of this review?

This is underway.

The Henry School and Jennings Park are being designed and developed by others. Are all components of needed infrastructure and/or streetscapes covered within this outside RFP or is there any component included in this Developer Partner RFP that we should be aware of?

We expect the selected the developer to work closely with the general contractor for the HUB to ensure coordination of infrastructure work.

In the development summary chart in the master plan there are additional units listed that appear to not be included in this RFP. Is this a correct assessment? For example, the units on Grace Street, are they to be developed by YFD developer or RFP developer?

All residential units are expected to be developed by the developer partner selected via this RFP.

Does CHA have any specific parking expectations or can the developer make those assumptions based on market and City zoning requirements or variances?

CHA expects responders to propose a parking plan that meets parking requirements for the city and financing sources that require such.

Does CHA have project-based Sec 8 vouchers available? If so – what is potential volume and pay rate? Is it based on FMR rents? Does CHA have any ability to supplement the HUD rent levels to pay higher rents? Is Gateway Tower PHA / RAD or is it PBRA?

CHA expects to apply for Section 18 disposition and subsequently project-based vouchers for the replacement units. Please refer to the published FMRs for the area. CHA is open to considering all reasonable proposals for operating subsidy.

Has CHA identified any funding for infrastructure (i.e. new streets, sidewalks, utility changes to match the master plan?

This is an ongoing discussion with the city.

Have any funding commitments been secured for the project from the City of Chattanooga, Hamilton County?

Yes. Funding has been secured to the first phase, focused on the James A Henry school.

Is the Westside master plan area under consideration for inclusion in a TIF district?

This is under discussion.

Addendum Acknowledgment Form

Proposer hereby acknowledges receipt of all Addenda through and including:

ADDENDA

Addendum No. _____ Date _____

SUBMITTED BY: _____

DATE: _____

(Signature)

NAME & TITLE: _____

(Please Print)

ATTENDANCE ROSTER
Master Developer RFP - Pre-Proposal Hybrid Meeting (Non-Mandatory)
Solicitation #D-952-00
CHATTANOOGA HOUSING AUTHORITY (CHA) REQUEST FOR PROPOSALS
Developer Partner for the Westside Evolves Transformation Plan
Chattanooga Housing Authority

August 8, 2022 – 11:00 A.M.
 CHA Central Office

	NAME	COMPANY	PHONE/Email
1.	Betsy McCright	CHA	423-322-5133
2.	MARK A. BELL	CHA	423-752-4839 mbell@CHAHOUSING.ORG
3.	Jennifer Bickley	CHA	jbickley@chahousing.org
4.	Naveed Minhas	CHA	423-752-4848
5.	Jim Gravley	Columbia Residential	(404) 783-8060
6.	Carl King	Walton Communities	(404) 290-4254
7.	Jenny Wilkerson	Walton Communities	404-661-6353
8.	Matthew Teague	Walton	202-213-4643
9.	Rivistico Sosa	CHA	423-752-4862
10.	Cihan Johnson	CHA	423 752 4813
11.			
12.			
13.			
14.			
15.			
16.			

- Same one
17. Catherine Levinson 310 - ~~xxx~~ ~~xxx~~
MDG Design + Construction 16
 18. Miranda Sprague ITEX Group
 19. Lonnie Edwards CHA
 20. Bobken Simonians ITEX Group
 21. Christina Davis - Columbia Residential
 22. Hunter Gee Smith Gee
 23. Jennifer Adams ITEX Group
 24. John Hunter Borge Design Solution
 25. John Maddox Wilton Communities
 26. John Shepard - Elmington
 27. Julie Creamer Preservation of Affordable Housing
 28. Lauren ^{Wllanson} ~~Wllanson~~ EJP
 29. Mike Carpenter Bloc Global Group
 30. Kathryn (see #17)
 31. Tyler Gross Borge Design Solutions
 32. Samson Babelola ITEX Group
 33. Nathaniel Bird Ragan Smith
 34. Richelle Patton Collaborative Housing Solutions
 35. Rhae Forbes EJP
 36. Maxine Patwardham Preservation of Affordable Housing
 37. ~~104~~ ~~-----~~ ~~46~~ Ray
 38. Roy KUNIAUSKY Columbia Residential
 39. ?
call in MDG Office
 - 40.

ATTENDANCE ROSTER
Master Developer RFP - Pre-Proposal Hybrid Meeting (Non-Mandatory)
Solicitation #D-952-00
CHATTANOOGA HOUSING AUTHORITY (CHA) REQUEST FOR PROPOSALS
Developer Partner for the Westside Evolves Transformation Plan
Chattanooga Housing Authority

August 8, 2022 – 11:00 A.M.
 CHA Central Office

	NAME	COMPANY	PHONE/Email
1.	<u>PEN NEMEC</u>	<u>BARGE DESIGN</u>	<u>PEN. NEMEC 423-805-9740 @BARGEDESIGN.COM</u>
2.	<u>ERIC MYERS</u>	<u>CHATTANOOGA DESIGN STUDIO</u>	<u>emyerse@chattanooga.studio.com</u>
3.	<u>JACK WOOD</u>	<u>CHATTANOOGA DESIGN STUDIO</u>	<u>JACK.W@CHATTANOOGASTUDIO.COM</u>
4.	<u>Donna C Williams</u>	<u>Live Urban Ventures</u>	<u>intownproperty@gmail.com</u>
5.	<u>TREY WHEELER</u>	<u>TINKER MA</u>	<u>TREY.WHEELER@TINKERMA.COM</u>
6.	<u>MANA RAMIREZ</u>	<u>CHA</u>	<u>hramirez@chahousing.org</u>
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			