

RFQ for Manton Heights Master Developer

Answers to Questions Submitted

QUESTION #1

Section 2.2(a) One-for-one replacement says PHA will provide the unit mix for the deeply subsidized/public housing units based on current house need; the unit mix of the other income types will be dependent on the market study.

- Does the PHA have a breakdown of the number of units in the brick and townhome buildings as well as the unit mix in both building types? Please provide.

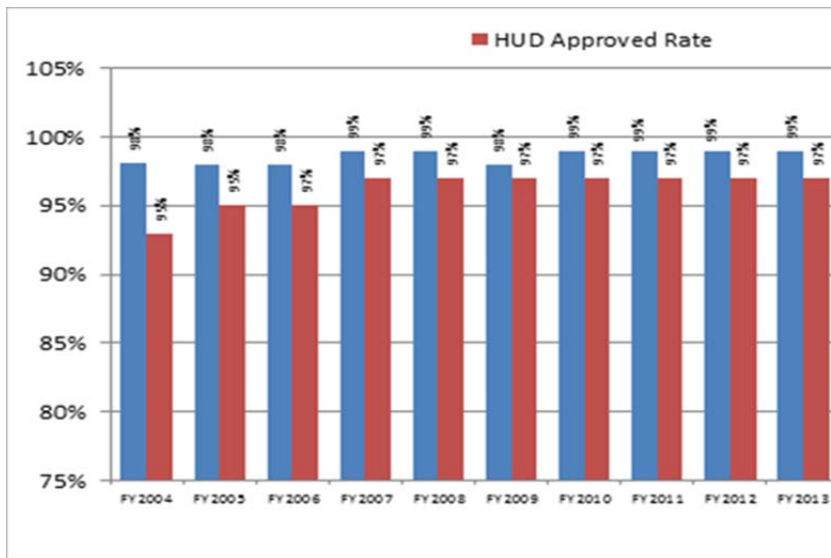
ANSWER: See site and building plans and the unit mix by building summary on the website.

- Can PHA provide additional detail on the current need for deeply subsidized units and composition of the property's current waitlist?

ANSWER: There is a strong demand for deeply subsidized units in Providence. There are 1,132 families on PHA's current active wait list: 0BR- 343; 1BR- 240; 2BR- 263; 3BR- 195; 4BR- 76; 5BR-15. (Pre-application list includes 3,356 individuals and families)

- Can PHA provide historical occupancy data?

ANSWER: See the chart below regarding occupancy rates since 2004. PHA's overall occupancy rate is around 97%.



- Within what distance from Manton Heights do you expect replacement housing sites be located?

ANSWER: The 75 scattered site units will all be in the Olneyville neighborhood; specific locations to be determined.

QUESTION #2

Section 2.2(b) – Mixed-income development says that a new economically viable mixed-income community that should include a mixture of deeply subsidized, tax credit and market rate rental units as determined to be viable and advantageous to the overall development effort. The different affordability types should be mixed across all building types and located throughout the site.

- In HUD's 2013 NOFA, to maximize Choice Housing points we understand that 660+ units would need to be provided (to accommodate one-for-one deep subsidy replacement and a ratio of 2 to 1 low and moderate income units). Based on your planning to date and identification of potential sites, how many of these units have you assumed can be accommodated on identified off-site parcels (excluding OHC's 37 unit off-site development)? And how many would need to be on-site?
ANSWER: The current plan calls for OHC to develop 75 of the total units throughout the Olneyville neighborhood. We have assumed that 50% of these units will be replacement units and 50% will be LIHTC units.
- Does PHA and/or OHC have a market study that will support the inclusion of market rate units in a redevelopment plan? Can that be shared?
ANSWER: No market studies have been prepared. The selected Master Developer will be responsible for securing a residential market study to support the income mix recommendations in the final Transformation Plan.
- Based on your planning to date, have any potential organizations or tenants been identified as occupants for the non-residential use?
ANSWER: PHA, OHC and their partners have discussed the potential non-residential uses and operators. Meeting Street is very interested in having an early learning education facility in the former Imperial Knife building. Non-residential use will be finalized during the planning process working with the Master Developer.

QUESTION #3

Section 2.2(c) – High quality design requests that applicants create a sustainable new community of high quality design that meets or exceeds industry standards and incorporates state of the art energy conservation and green practices in a LEED-certifiable project. For Choice Neighborhoods, HUD is requiring LEED ND. The residential designs should reflect the character of other buildings in the neighborhood.

- Does PHA have any as-built drawings of the current buildings we could review?
ANSWER: Yes, they are available on the website.
- Is there a central heating plant alongside the community center – does it serve the entire site?
ANSWER: Yes, the central heating plant, located underneath the Management Office, serves the entire site. It is Forced Hot Water/Hydroid, model Clearbrook 20+ years old.
- Do we have a survey of the site (topography of the site)?
ANSWER: No.
- Who did the architecture work for the Build Olneyville Plan?
ANSWER: Preliminary site design work was provided by Brewster Thornton Group Architects but the Master Developer's architect/urban designer will be responsible for preparing new alternatives and finalizing the master plan.
- Can you provide us with the PEL and UEL?
ANSWER: Specific to Manton Heights, the PEL is \$515.65 PUM (per unit month), the UEL is \$191.05 PUM. Source: Calendar Year 2013 Subsidy Calculation
- Has a Phase I environmental assessment been completed for the sites? If so, can you provide a summary of findings?
ANSWER: See environmental study posted on the website.

QUESTION #4

Section 2.2(c) – High quality design requests that applicants create a sustainable new community of high Section 2.2 (d) Leverage resources requests the applicants to pursue sources appropriate for the redevelopment program and leverage Choice Neighborhood funding, maximizing the efficiency and effectiveness of public resources.

- Has PHA and/or OHC had any preliminary discussions with RIH about the availability of 9% tax credits for this transaction?

ANSWER: RIH has been involved in the Choice Neighborhoods planning effort and is aware that 9% tax credits will be applied for by the Master Developer but no firm commitments can be made at this time.

For Imperial Knife site, has PHA and/or OHC had any preliminary discussions with any CDEs regarding the availability of NMTCs for the site?

ANSWER: Yes, the LISC RI office is aware of interest in NMTC's for the Imperial Knife site.

Can PHA clarify the requirements of PILOT? Can you tell us what the PILOT is per unit?

ANSWER: The PILOT agreement dated 1981 states that the annual PILOT “shall be in an amount equal to either (i) five percent (5%)of the Shelter Rent charged by the Local Authority in respect to such Project during such fiscal year, or (ii) the amount permitted to be paid by applicable State law in effect on the date such payment is made, whichever amount is the lower.”

QUESTION #5

Section 5.3 Business Terms

- Have PHA and OHC decided which organization will assume the role of Lead Applicant for Choice Neighborhoods Implementation funding? If not, when do you anticipate this decision being made?

ANSWER: As answered at the pre-bid conference, the CNI Lead Applicant has not yet been identified. PHA, its partners, and the Master Developer will review the scoring requirements and collectively decide Leads who will be most competitive for a CNI Implementation application. This decision will be made soon after the Master Developer is on board.

- Can PHA clarify the role it envisions playing as a property management partner of the redeveloped property and in providing resident services?

ANSWER: The PHA has capacity with resident services and property management but has not yet established a specific role in these areas. The PHA and its partners look forward to discussing potential roles for the PHA with the proposers.

- Will PHA fund the current resident services coordinator position under the new mixed-income redevelopment plan?

ANSWER: No decision has been made regarding continued funding of the resident services coordinator position.

- Can you clarify the role PHA and OHC envisions playing in the development of the non-residential component of the redevelopment plan?

ANSWER: PHA and OHC assume that the Master Developer will have primary responsibility for the development of the non-residential component.

- Can you clarify the guaranty requirement? Are PHA and OHC expecting assurances beyond a completion and performance guarantee?
ANSWER: The Master Developer is expected to provide guarantees required for the successful financing of the project, including completion guarantees, operating deficit guarantees, and tax credit adjuster or recapture guarantees and guarantees of performance under the Master Development Agreement. The Master Developer will be required to demonstrate financial ability to honor the guarantees, and indicate how they intend to honor the guarantees if necessary.
- Please clarify timing of right of first refusal upon expiration of mortgages, refinancing, or notification of (developer's) interest "...to sell..." Normally this would occur upon LIHTC year 15, or upon sale.
ANSWER: The right of first refusal will occur upon LIHTC year 15 or upon sale.

QUESTION #6

Will OHC apply to RIH with the developer for LIHTC's?

ANSWER: We expect that it will be the Master Developer's role to apply for and acquire LIHTC's for the redevelopment of the Manton Heights/Imperial Knife site. OHC's housing role pertains to the 75 units in the neighborhood.

QUESTION #7

Does OHC expect to be the co-developer and share in developer fees?

ANSWER: OHC would be willing to play a co-developer role on the Manton based units to be developed if the Master Developer would think that role would be beneficial to the project and agreement can be reached on roles, compensation, etc. It is expected that such discussions would take place after the selection of a master developer.