

Request for Qualifications

Real Estate Developer

Augusta Affordable Housing Corporation

a 501 (c) (3) tax exempt nonprofit subsidiary of the

Housing Authority of the City of Augusta, Georgia

Issue Date: September 10, 2013

Response Date: 4:00 PM, October 11, 2013

Pre-Submission Conference: 10:00 AM, September 26, 2013

at the Augusta Housing Authority

J. Madden Reid Administration Building

1435 Walton Way

Augusta, Georgia 30901

706-312-3140

706-288-1740 fax

www.aahcorp.org

Contact: rarfman@augustapha.org

INTRODUCTION

The Augusta Affordable Housing Corporation (AAHC), a 501 (c) (3) tax-exempt nonprofit subsidiary of the Housing Authority of the City of Augusta, Georgia (AHA) is seeking a company, firm or consulting team to develop new affordable housing to replace the Cherry Tree Crossing public housing development in Augusta, Georgia. This RFQ covers the first phase with an option to extend for the rest of the site and off-site work at the sole discretion of the AAHC. It is anticipated the project will require at least four phases of LIHTC funding. The AAHC will serve as co-developer on all phases awarded to the selected entity.

Cherry Tree Crossing consists of 389 public housing units on a 29.82 acre site located off Fifteenth Street. The development currently consists of 57 residential buildings and 4 office/community/maintenance buildings. The buildings were constructed in 1940 and 1952. The U. S. Department of Housing and Urban Development has approved the demolition of all dwelling and non-dwelling structures and to dispose of the 29.78 acres through a Grounds Lease for 50 years. The Housing Authority of the City of Augusta, Georgia will be responsible for the demolition of the dwelling and non-dwelling structures.

This project is subject to a Memorandum of Understanding (MOU) pursuant to 36 CFR Part 800.6 with the Georgia State Historic Preservation Office (SHPO). This MOU requires that exterior elevation drawings of the replacement units to be submitted to the SHPO for review prior to new construction. The SHPO design review will be based on compatibility with any historic resources within the viewshed of the project.

The Cherry Tree Crossing site is located in close proximity to Paine College, Georgia Regents University and four major hospitals. Georgia Regents University is a public academic health center and one of the four research universities in the University System of Georgia. [For a map of the site go to: http://goo.gl/MYslon](http://goo.gl/MYslon).

[The site is located along the City of Augusta, Georgia's Priority Development Corridor as part of the Augusta Sustainable Development Implementation Program. For more information visit: http://augustasustainable.com](http://augustasustainable.com).

The new affordable housing will be developed as a mixed-finance development serving people with incomes less than 80% of area median income. The majority of the units will qualify for Low-Income Housing Tax Credits. Thirty percent of the units will receive rent subsidies from an Annual Contributions Contract and perhaps some Project-Based Housing Choice Voucher assistance. Because some of the units will be Public Housing Units, a portion of the units must be unrestricted, in accordance with Georgia's Qualified Allocation Plan. Depending on the recommendations of [a market study yet to be conducted](#), for-sale housing may be developed on a portion of the site.

The entity selected will be responsible for the majority of the development work, with limited involvement and assistance from AAHC. AAHC will have the final [say on major decisions such as](#) on the development plan including design, site plan, unit mix and income levels served. AAHC has absolute veto power in the case of a disagreement over the development concept.

Services provided by the Developer and/or its team members would include the following:

- Master site plan
- Obtain all permits, approvals and environmental clearances
- Architecture and engineering
- Arrange financing and provide all required guarantees
- Site preparation
- Infrastructure
- Design review approval of exterior elevations by Georgia SHPO
- Construction
- Marketing and selling homeownership units, if any
- Marketing, renting and managing rental units

Submit an original and five copies of a proposal in response to this Request for Qualifications to:

Richard Arfman
Development Director
Augusta Affordable Housing Corporation
J. Madden Reid Administration Building
1435 Walton Way
Augusta, Georgia 30901
(706) 312-3140
rarfman@augustapha.org

The response shall be due no later than 4:00 PM on Friday, October 11, 2013.

BACKGROUND

The AHA is a High Performer under the U. S. Department of Housing and Urban Development's Public Housing Management Assessment Program. The AHA owns and operates 2,221 public housing units on 12 sites and has 3,579 Section 8 Housing Choice Vouchers and 192 Section 8 Moderate Rehabilitation units and 135 Veterans Supportive Housing Vouchers. The AHA was created in 1937 and is the second largest public housing agency in the state of Georgia. The AHA has approximately 120 employees, an operating budget of \$19.6 million, receives \$22.5 million for Section 8 Tenant Based Assistance and \$2.85 million in Capital Grant Funds. In 2004, AHA issued \$20 million in Capital Fund Revenue Bonds to fund rehabilitation of Peabody Apartments and Olmstead Homes.

AHA has formed the Augusta Affordable Housing Corporation, a 501 (c) (3) tax exempt nonprofit for affordable housing development purposes. AAHC has served as the co-developer for several mixed-finance Low-Income Housing Tax Credit projects under the Georgia Department of Community Affairs' Qualified Allocation Plan. Despite our positive experience with co-developing, a third-party developer is desired to apply for the tax credits and other financing, co-develop, own and manage the project and provide all required guarantees.

SUBMISSION REQUIREMENTS

Cover Letter

Provide a cover letter that identifies the primary contact person for the Respondent, lists all firms that are a part of the Respondent's development team (which should include, at a minimum, architect, general contractor, lawyer and property management firm), and briefly summarizes the proposed development concept. The letter must be signed by an authorized principal of the Respondent and include a statement that the submittal will remain valid for not less than 90 days.

Experience of Developer and Project Manager

Provide a firm overview of the Respondent and its team. Describe its experience with similar projects. Identify the individual that would serve as project manager and describe his or her specific qualifications and experience with projects of similar scope and size. The project manager is integral to the proposal and may not be replaced without prior written approval of AAHC. In the event of a joint venture between multiple developers, provide information on each firm, indicate past experience working together, if any, and describe the respective role each firm would play in this project.

In your response, address the following:

- Indicate the location of the Respondent's principal office and the office from which services will be provided, if different than the principal office.
- Provide a brief history of the firm, including the year it was founded.
- Describe the size of the firm in number of offices and employees providing development

services.

- Summarize the number of rental housing units developed by the firm, including a breakdown between affordable and market rate, and provide a listing of the developments that includes the name of each development, the number of units, the city, and the year of completion.
- Summarize the number of homeownership units developed by the firm, including a breakdown between affordable and market rate, and provide a listing of the developments that includes the name of each development, the number of units, the city, and the year of completion.
- Identify projects where the firm has combined rental and homeownership units on a site.
- Indicate the geographic range of the firm's work, and highlight any experience in Georgia.
- Detail any experiences in the Augusta, Georgia area.
- Identify any experience working for public housing authorities and especially with the public housing program.
- Describe the firm's experience applying for and integrating different subsidies such as low-income housing tax credits, tax-exempt bonds, HOME, CDBG, AHP, etc. Be sure to include experience related to all subsidies anticipated in your preliminary financing plan.
- Describe your firm and team members' experience with Low-Income Housing Tax Credits and particularly with Georgia's affordable housing programs.
- Provide resumes for the project manager, architect, general contractor, management agent and any other key staff.
- Describe the financial strength of the firm, and provide the most recent audited financial statements if you are willing to disclose them. Financial information will remain confidential.
- Provide at least three applicable references from lenders, tax credit investors, clients, etc. Also, list your points of contact with any housing authorities you have worked with.
- Indicate whether the firm has ever been terminated from a contract or filed suit against a client, and if so, describe the circumstances and outcome.

Experience of Development Team Members

For team members not directly employed by the Respondent such as third-party architects, legal counsel, financial consultants, and property management firms, provide an overview of each firm and describe its experience on similar projects.

In your response, address the following:

- Indicate the individual who would be primarily responsible for each firm's work on the New Development, describe his or her specific qualifications and experience with projects of similar scope and size, and provide at least three references. Substitutions will be allowed at the sole discretion of AAHC.
- Describe similar projects for which each firm has provided comparable services in the past.
- Indicate the geographic range of the firm's work, and highlight any experience in Georgia and especially the Augusta area.
- For property management firms, summarize the number of units currently under management, indicate the breakdown between market rate units and tax credit or other below-market-rate units (including Section 8 or public housing), and provide a listing that includes development name, number of units, and city.
- Describe the extent to which the developer has worked with each firm before.

Business Terms

Respondents must address each of the following issues in their submittal:

- The Respondent's expectations for fees, sales profits, or other compensation on rental unit development, homeownership unit development, rental property management, and any other services. Describe both the calculation basis of any fees (e.g. if there is a development fee expressed as a percentage, indicate to which specific things the percentage would be applied) and the expectations for timing of payments.
- AAHC intends to participate to a limited degree in development and operating decisions related to the project. AAHC's objectives are to assure that the development meets their mission of providing quality low-income housing and to develop the experience and capacity to develop and manage LIHTC developments in the future.
- The Respondent will describe how AAHC will participate in the fee structure and gain development and management experience and capacity to develop its own entrepreneurial activities and asset-based property management activity.
- The Respondent will describe how AAHC can acquire the property after expiration of the initial 15-year tax credit compliance period.

- AAHC wants to proceed with this project as expeditiously as possible. Describe your ability to be ready to submit a first phase application for tax credits in 2014 to DCA and any other commitments you have made for the 2014 development season (the relocation effort has begun and we anticipate demolition will be underway prior to the tax credit application due date).

Responders shall submit a cover letter, an original and five copies of its written proposal. The cover letter shall indicate the responder's capability to proceed in a timely manner and its ability to comply with all the requirements of this request for proposals. The proposal shall indicate the ability of the responder to provide the necessary services and shall clearly define how the responder achieves the five evaluation criteria.

PROPOSAL REVIEW PROCESS

The AAHC will rate and rank all proposals received by the deadline set forth in this RFQ according to the evaluation criteria established herein. Responders may be asked to participate in a telephone interview if they are among the top-rated respondents. If the AAHC cannot successfully negotiate a contract with the top-rated entity, the next ranked entity shall be selected.

AAHC reserves the right to reject any and all submissions, to waive informalities and minor irregularities in submissions received, and to accept any submission deemed to be in its best interest.

AAHC has absolute veto power in the case of disagreement regarding the project scope, ownership structure, design, unit mix, income levels served, etc.

EVALUATION CRITERIA

1. LOW-INCOME HOUSING TAX CREDIT DEVELOPMENT EXPERTISE, 20 POINTS

The proposal must indicate the responder's experience applying for, developing, owning and managing Low-Income Housing Tax Credit financed developments. The experience of the developer in developing low-income housing in Georgia will be considered.

2. ARCHITECTURAL AND ENGINEERING SERVICES, 20 POINTS

The responder shall indicate its ability to provide the necessary architectural and engineering services in both the application and development phases. The experience of the architectural and engineering firms in developing low-income housing in Georgia will be considered.

3. PROPERTY MANAGEMENT EXPERTISE, 20 POINTS

The responder shall state its ability to provide property management services. The management company's experience with tax credit, public housing, and other very low income rental property will be considered.

4. FINANCING EXPERTISE, 20 POINTS

The responder shall indicate its ability to provide financing expertise and guarantees. The experience of the developer in financing low-income housing in Georgia will be considered.

5. FEE PROPOSAL, 20 POINTS

The Respondent shall indicate their proposed developer fee, contractor's profit and management fee and describe how AAHC will participate in the fee structure and gain experience and capacity to develop their own entrepreneurial activities and asset-based property management activity.

No fee or costs shall be reimbursed for the responder's preparation of a response to this RFQ.

Augusta Affordable Housing Corporation
By: Jacob L. Oglesby, Executive Director

PRE-SUBMISSION CONFERENCE

**10:00 AM Thursday, September 26, 2013 at the Reid Administration Building,
1435 Walton Way, Augusta, Georgia 30901. (Site tour to follow)**

REDEVELOPMENT OF CHERRY TREE CROSSING

Request for Qualifications for Real Estate Developer Augusta Affordable Housing Corporation

Please return this form to Richard Arfman, fax (706) 288-1740, as soon as possible.

Name:	
Company:	
Address:	
Phone:	
Fax:	
Email:	

Please check the appropriate boxes below:

- YES, I will attend the Pre-Submission Conference
Number of persons attending: _____
- NO, I will not attend the Pre-Submission Conference
- Please leave my name on the mailing list for this RFQ
- Please remove my name from the mailing list for this RFQ