

November 13, 2018

ADDENDUM NO 1. TO RFP NO 2018-40
Builder for Ninety-Six (96) Single Family Blackwell Hope VI

Commodity: Builder/Develop

RFP Issued: October 26, 2018

Proposal Due Date: November 15, 2:00 p.m. Local Richmond Time

The above solicitation is hereby modified as follows:

1. The closing date was November 15, 2018 @ 2:00 PM Local Time
The new closing date will be November 27, 2018, 2:00 PM Local Time

1. On Page 9 in the description of "Market Rate Sale/ Attachment I" the RFP says that these homes do not "require" public subsidy and do not need to be sold below market. If a respondent has public or private subsidy it would like to use to develop these market rate sites and sell them below market, is that allowable?
Builder/Developer may use public or private subsidy to assist a buyer to purchase a house on a designated "market rate" lot. Public or private subsidy is not permitted to be used sell market rate sites below market value. The houses must be sold at fair market value as determined by an independent appraiser.

2. What do the properties listed in Attachment M have to do to comply their location in the Conservation Area?
All rehabilitation or new construction will be required to meet minimum design and construction standards to insure that the improved properties are livable, healthful, safe, physically sound, architecturally compatible with the existing neighborhood character, and provide a range of affordable housing.

3. Do they have to go through an additional design review process?
Yes, RRHA will review and approve all detailed plans and specifications with respect to their conformance with the provisions of the Conservation and Redevelopment Plan. Preliminary sketch drawings of site plans, access, parking, landscape treatment and improvements shall be submitted to RRHA for review and approval gained before final drawings.

4. What is the significance of this designation?
Conservation and Redevelopment Plan objectives are formulated to achieve optimum results in the elimination of blight and deterioration, alleviation of blighting influences and the overcoming of obsolescence.....To prevent the recurrence of blighting conditions, regulation and controls shall be placed on the conservation and redevelopment areas, and physical treatment undertaken within these areas to realize theVison statement and goals adopted by the Blackwell Community as part of the Blackwell Neighborhood Revitalization Plan dated October 1996, and adopted by the Richmond City Council as an

element of the Richmond Master Plan. [Moreover according to City of Richmond Code Ordinance 2015-233, new construction in a Redevelopment and Conservation is subject to a partial tax exemption.

5. Which of these lots require new sewer taps and alley infrastructure improvements?
Builder/Developer is required to conduct the necessary due diligence to determine site conditions and requirements for housing construction.

6. If a Market Rate property reverts back to the RRHA for failure to comply with the Development Agreement, will the acquisition price paid to RRHA be reimbursed to the Developer?
Subject to Terms and Agreements if property reverts back to RRHA, RRHA will re-sell the property to a responsible party to complete the improvements. Upon resale of the property RRHA will utilize proceeds to reimburse itself for all costs and expenses incurred. Original purchaser may be reimbursed up to an amount equal to the sum of the purchase price paid for the property, and the cash actually invested in making any improvements. RRHA shall retain any balance remaining after such reimbursements.

7. What architect designed the approved elevations and will those be shared in CAD form with the selected Developers for use?
The elevations and floor plans as provided in Attachment H in the RFP are included as a sample only. Builder/Developer is responsible for architect and engineering housing plans in compliance with proposed RFP. They are not available to be shared with the Builder/Developer. CAD documents are not available to the Builder/Development.

8. Are these elevations pre-approved by DHR or will selected Developers be required to go to both of these entities for approval of individuals' plans?
Builder/Developer is required to conduct the necessary due diligence to determine site conditions and requirements for housing construction. This included checking lot addresses with the City of Richmond Planning and Development Review, Commission of Architectural Review, and other to determine compliance with City and or state regulations.

9. Is it required that a Developer submit a proposal that includes the selection of a General Contractor if the respondent is not a Developer/Builder?
Section 3.1 Scope of Rehabilitation (Construction)....."Developers[Builders]" are encouraged to present a complete team, including the trades required for the success of the development [housing construction]."

10. Has the Housing Authority Consulted with the Realtor Association and/or any realtor broker for the for a feasibility study on the Blackwell community to absorb 96 dwellings in 18 months, Most realtors we have consulted say that 4 year is a better scenario for the area and the residence.
RRHA has not consulted with a Realtor Association and/or any realtor broker for the feasibility study on the Blackwell absorption of 96 dwellings in 18 months. Out timeline is based on internal assessment of the program and requirements to complete the project within a certain timeframe. HOWEVER, we are aware that market conditions and other

factors may interfere with the construction, marketing and sale of houses in the area. We are amenable to the timeline based on circumstances that may affect housing activities.

11. There are many factors that will establish the cost of a new home.

- a. Will the Housing Authority disclosed the cost of the individual lots. We need this information in conjunction with our realtor. The cost of the lot determine if a new dwellings will be able to be built and sold at fair market value.

RRHA does not have cost of the individual lots at this time. Market sale lots will be sold at FMV as determined by an independent appraisal. Affordable lots may be transferred to the builder/developer for a nominal cost in an effort to construct and affordable house.

- b. The Housing Authority has given a foot print for 3 houses can theses be modified to maximize sqr footage?

The houses provided in the RFP were for sample purposes only. Developer/Builder should refer to the Conservation and Redevelopment Plan for Hope VI Blackwell Conservation and Redevelopment Area for design guidelines.

- c. Do any have to be ADA? This will add about 12% to the cost of construction.

RRHA has no specific requirement for houses designated as ADA. Builder/Developer may have to meet these requirement based on the purchaser.

- d. Page 11 is directing developer to build "builder grade". At prebid it was mentioned that PHA wants energy efficient dwellings. Also page 63 is calling for "Green Built" this standard is not "builder grade"

Houses are required to be minimally Earthcraft Certified.

Material cost are 7-15% higher than 6 months ago. For this reason we need a specifications on building material types.

1. Siding type?
2. Roofing type?
3. Carpet?
4. Counter Tops?
5. Lighting Type?
6. Kitchen Cabinet Specifications?

Developer/Builder should refer to the Conservation and Redevelopment Plan for Hope VI Blackwell Conservation and Redevelopment Area for design guidelines.

12. The alley repairs will impact the cost of the dwelling. At what cost will it be deemed too expensive to move forward on the lot and is there any help from the City of Richmond?

Contractor/Developer should consult with the City of Richmond and conduct required financial analysis to determine feasibility.

13. Are the connection fees waived for this project?

RRHA has not requested the connection fees be waived for this project. Contractor/Developer should consult with the City of Richmond to determine if they will waive fees.

14. What compensation is the Housing Authority expecting other than the cost of the lots?

Please see Attachment L of the RFP.

15. Are there any restrictions on the amount of profit the Developer can make?

Please see Attachment L of the RFP.

16. Are these properties subject to HUD inspection during construction?

No. However the properties are subject to RRHA's review and approve of all detailed plans and specifications with respect to their conformance with the provisions of the Conservation and Redevelopment Plan. Preliminary sketch drawings of site plans, access, parking, landscape treatment and improvements shall be submitted to RRHA for review and approval gained before final drawings.

17. How will Housing Authority monitor that, Woman Owned business, Section 3, and minority participation are included.

Builder Developer will be required to submit a plan for W/MBE and Section 3 to attain goals set by RRHA. Plan will be monitored by RRHA for compliance.

18. RFP Page 24 Section H. part c. Are there any public funds?

There are not public funds for this project.

19. Please Clarify page 77 regarding individual projects sold clause.

RFP does not have page 77

20. Please Clarity page 78 under HUD guide line homes are to be sold to individuals without prejudice on race, religion, sex. So how can the homes only be sold to 50% of the residence and other races what to move closer to the city?

RFP does not have page 78

21. Payout to Developer Clause do not apply conflicts with page11 developer responsibilities. HUD fund to the construction and/or development are not being used.

RFP does not have page 78

22. Page 11 Builder Responsibility #4 the infrastructure is unseen and would fall back to the City of Richmond. This clause would be applicable if the dwellings are track homes. These are mostly scattered.

Builder/Developer is required to conduct the necessary due diligence to ensure required permit for the construction of single-family houses on lots associated with the RFP.

Note: A signed acknowledgement of this Addendum must be received at the submission location indicated on the RFP either prior to the proposal due date and hour or attached to your proposal.

Very truly yours,



Kerry L. James
Director of Procurement and Contract Administration
Phone: 804-780-4444

Name of Firm

Signature / Title

Date