

REQUEST FOR QUALIFICATIONS
FOR DEVELOPMENT PARTNER
RFQ 2019 TAYLOR APARTMENTS

FOR DEVELOPMENT SERVICES
RELATED TO SITE REVITALIZATION

RFQ Issue Date: May 17, 2019

Response Due Date: ~~June 17, 2019; 2:00 p.m.~~ June 24, 2019; 2:00 p.m.

ADDENDUM # 3 – Responses to Questions and Inquiries Received.

1.5 INTERPRETATIONS

Questions and inquiries regarding this RFQ may only be submitted in writing and should refer to the specific paragraph in question. All inquiries must be received no later than 4:00 p.m. on **June 5 10, 2019**, by Tom Hulihan, at the address on the cover of this RFQ, or by fax at 518-274-6633. Answers will be provided as written addenda to this RFQ and will be on file and available for inspection in the THA offices at One Eddy's Lane, Troy, no later than five (5) days prior to the proposal submission due date. THA will endeavor to provide copies of all addenda to all potential respondents who indicate an interest in receiving them. It will be the responsibility of each respondent to make inquiry as to the existence and content of addenda, as the same shall become part of this RFQ and all respondents will be bound thereby, whether or not the addenda are actually received by the respondent.

1. Title work on the site(s);

Available documents will be added to the drop box. One person per agency may access the drop box. Email hulihant@troypousing.org if you need access.

2. ACC subsidy levels for Taylor 1 and 2

HUD staff have explained that if we were to demolish and redevelop the site, the 143 ACC subsidies attached to Taylor 1&2 would be available to use at the new development. To determine what the subsidy would be, THA would need to submit a development proposal to HUD (most likely a Mixed Finance proposal). Once the project was completed, the HUD Financial Management Division would prepare a Project Expense Level (PEL) which would be the basis for the subsidy eligibility for the project. The main factors that impact the PEL are the age of the project, the type of units, whether they are family or elderly, and the geographic location of the project. There would also be the UEL (Utility Expense Level). That is determined by utility consumption and cost estimates until there is enough actual data available. The initial subsidy would be based on the assumptions and cost estimates.

Once actual data is realized, THA would then submit the operating subsidy calculation forms on an annual basis taking the PEL+UEL + any add-ons, and subtracting the estimated Formula Income to come up with the amount of subsidy the project would receive.

3. RPCA for each Building or just 3 & 4 if such was never completed for 1 & 2;

Available documents will be added to the drop box regarding 3 & 4; no RPCA available for 1&2

4. The RFQ on page 6 cites 139 ACC units associated with Taylor 1 & 2 that may be available as operating subsidy for affordable replacement apartments.

a. Does this imply that the one for one replacement of the Taylor 1 & 2 units are likely to be a HUD and/or THA requirement for the redevelopment effort?

No, this is an option available to the project. The ACC for these units is presently dormant and the units have been withdrawn from the Rental Assistance Demonstration process. The subsidy for these units may be available for affordable apartments. The Troy Housing Authority will work with the selected developer on the needed submissions to HUD if this option is pursued.

b. What is the budget level of annual financial subsidy, if any, attached to those ACC units?

See response to Question 2 above.

5. What is the intersection/role/relationship to the Taylor site and the City's aspiration and programming under the State's DRI programming-assuming that the City of Troy intends to apply for DRI funds in the future?

The City and affiliated agencies are committed to supporting the Taylor Apartments redevelopment with the identification, application and administration of a variety of State, Federal and Local funding opportunities including the State's DRI, which Troy submitted in May of 2019. In that application, the City requested \$2M for project funding that may be used towards demolition, abatement or as gap funding – depending on the final project and ownership strategy.

6. We wondered whether you would prefer that the development partner select a design consultant to submit with or if selection of third-party consultants should take place after a decision is made on who would act as development partner?

In Item 3.3 Number 2 it states “**Development Partner, Team Participants and their Specific Roles:** All entities that comprise the partner team are to be identified, indicating their specialization(s) and specific contribution to the project. *Respondents are encouraged to include specialists for all components of the program including design, construction, legal, and financing professionals, as well as those with expertise in integrating community and supportive services.* The project manager should be clearly identified. Ultimately, the identified project manager will be held responsible for the performance of all members of the Development Partner Team. Any MBE/WBE team members should be so identified.

7. Could you please make the PowerPoint deck from the site tour available to everyone?

This has been done and has been circulated and posted on our website.

8. Can you please provide the City's NYSDRI application for the Capital Region submitted?

The City of Troy DRI application is not available for public review at this time. The executive summary will be posted on the City's DRI project website shortly.

9. Is there an ACM and Lead Report for any of the buildings if so can it be provided

Available documents will be added to the drop box

10. Is there an ACM and Lead Report from the last renovation that was done in building 3 and 4 and can it be provided?

Available documents will be added to the drop box

11. Has a Phase I Environmental done for buildings 1 and 2, and can it be provided?

Available documents will be added to the drop box

12. What is the relocation logistics?

The Troy Housing Authority has in excess of 1,000 units of housing within our portfolio and approximately 18 units turn over per month. When we become aware that relocation will be necessary we will temporarily suspend re-occupancy of units vacated at other sites to accommodate the tenants that need to be temporarily relocated from the Taylor site. We will also offer Tenant Based Vouchers to any household that has a desire for one during the relocation process.

13. What is the condition of the MEP's in building 4?

See drawings referenced in Question 14

14. What if any MEP's upgrades was done in 1995 to building 4?

Taylor 4 Renovations drawings will be added to the drop box.

15. Are the existing layouts remaining?

The opening paragraph of the RFQ states "The project will involve the demolition and replacement of affordable housing and other facilities, utilizing mixed-financing and mixed-use methods, to create a modern/cohesive mix of workforce, affordable and market rate housing, commercial space and public amenities. Specifically, the Development Team is looking for a

developer to redevelop the John P. Taylor Apartments site (Buildings 1, 2, 3 and 4; an existing community building and the grounds) in one or two phases so that it better integrates into the neighborhood.”

We are open to approaches that include the demolition of all four buildings as long as the residents of the 125 apartments in Taylor 3 and 4 are accommodated during and after the redevelopment.

16. Are there any intentions or expectations for these buildings that should be included, such as:

- a. Exterior façade**
- b. Upgrades**
- c. Finishes**
- d. Site**

We intend to rely on the Development Professional selected to recommend suitable exterior facades, upgrades, finishes and site configurations based on the site and needs of the community.

17. Page 14 of the RFQ says “Describe or provide renderings of the buildings and units you propose to develop.” What level of rendering is THA expecting?

At this stage of the process we are looking for conceptual plans and renderings. They can be examples of previous work by the development team that you believe would work well as part of this redevelopment.

18. Can a general contractor or consultant submit with multiple teams?

Yes.

19. Empire State Development can take as much as two years to review MWBE certification applications. They are willing to expedite the review if a public agency advocates for that. Is THA willing to advocate at ESD for MWBE firms whose applications are languishing at ESD?

Yes.

20. Units at Taylor 3 have hookups for laundry in the apartment. There is also a common laundry. Does THA have a preference for laundry in units or for a common facility?

There are pros and cons to both approaches. In unit hookups may make the apartments more marketable but can add to wear and tear on the units. On-site common laundry facilities can ease the burden of not having in unit laundry facilities and they can contribute some additional income to the project but they may make the units less appealing to some renters. The Troy Housing Authority has no preference to which approach is used but expects that the selected developer will consider these, and any other factors, when determining the best way to approach how the laundry needs of tenants in the redeveloped

21. Will THA allow teams to use Taylor 3 to temporarily house residents during the implementation of other phases of the project?

We do not understand this question as Taylor 3 is presently occupied.

22. Is it the City, the THA, and the TLDC's expectation that the construction work at Taylor Apartments would be underway simultaneous to any bridge/ramp reconfiguration construction that may occur? If yes, what should the developer assume in terms of desired schedule for commencing construction of the first phase of the Taylor Apartments revitalization?

The timeline for bridge reconstruction is unknown at this time. A redesign study will commence sometime during the Winter of 2019 and be completed by Summer-Fall 2020. It should be assumed that the grid pattern will eventually be re-introduced and that any development should consider that configuration.

23. We understand that one of the parking areas is in a floodplain. Would the THA be able to provide any additional relevant environmental and/or site due diligence and documentation?

It is unclear whether or not any of Taylor Apartments is located within a floodplain. In 2015 during Hurricane Irene the parking area of Taylor 3 was completely flooded.

24. Please clarify what the prospective developers should provide in the RFQ response with respect to a proposed plan and program for the Taylor Apartments revitalization.

See RFQ Item 4. Narrative Regarding the Proposed Redevelopment Plan, Potential Issues, Strategies

Include a narrative describing your approach to the redevelopment. Discuss within your plan the approach you will take relative to on-site and off-site redevelopment. If planning to develop off site discuss any planned or potential locations, the level of site control obtained, and any barriers to developing at this or these locations. Describe or provide renderings of the buildings and units you propose to develop. Identify any other obstacles or issues you anticipate and describe the strategy you propose to address those issues. Describe the role the Troy Housing Authority and Troy Local Development Corporation will take throughout the process.

25. Is there an opportunity for produce more units on the site(s) than currently exists?

Yes, we envision market rate units integrated with affordable units.

26. How are the different levels of "Mixed Income" being defined by the City and are there any specific min/max ratios we must adhere to?

The existing tenants within buildings 3 and 4 must be accommodated. Generally, with some exceptions, new admissions to the affordable units will need to be at or below 50% of the area median income. These tenants will pay 30% of their adjusted income as rent and a subsidy will be provided up to the established Contract Rent for any tenant whose total tenant payment is below the Contract Rent. Integrating the affordable units for these tenants with the Market Rate units will create the desired "mixed income community."

In this instance, mixed income is the general term referring to the combination of market-rate and affordable housing provided for within the project. It is likely that financing and tax incentives will determine the ratios of each, however the City would prefer to see the maximum ratio of market rate housing provided that allows for the economic and logistic feasibility of a mixed-income project while maintaining the number and improving the quality of affordable and workforce housing available downtown.

27. How many parking spots currently exist across all 4 sites and how much additional public/private parking will be required?

Taylor 3 & 4 currently has approximately 90 parking spaces. Tenants are expected to register their vehicles with the site office. Currently 31 vehicles are registered, but we expect that some tenants have not yet registered their vehicles. Parking is also presently utilized by guests of tenants and Troy Housing Authority employees.

The amount of parking needed in the redeveloped site will be determined by the number of apartments and other various uses in the redeveloped site.

28. If necessary, can the potential redevelopment of the State Street garage fall under the scope of this development project?

Because the State Street Garage is owned by the City of Troy and was not part of this RFQ, any redevelopment scenario would need to be subject to an RFQ that includes that property.

29. Have any studies been done related to the capacity and usage of the State Street garage or any other nearby facilities?

Yes. In 2016, the City conducted a thorough Parking Study that looked at available parking, usage numbers and recommendations that is publicly available. Since that time, the City has conducted independent counts of usage at the State Street Garage and other municipally owned lots.

30. Over the course of the next 3-4 years, how many units owned by the THA will be available for relocation of families while work is done at this site?

The Troy Housing Authority has in excess of 1,000 units of housing within our portfolio and approximately 18 units turn over per month. When we become aware that relocation will be necessary we will temporarily suspend re-occupancy of units vacated at other sites to accommodate the tenants that need to be temporarily relocated from the Taylor site. We will also offer Tenant Based Vouchers to any household that has a desire for one during the relocation process.

31. Are there any specific requirements related to the demolition of the sites that we need to be cognizant of?

Demolition should be conducted in accordance with all OSHA and department of labor requirements and safety standards. Any existing environmental conditions found on the site must be demolished and/or abated and disposed of in accordance with all State and Federal environmental and health regulations as determined by certified professionals.

32. Have noise studies been done that reflect the sound of the traffic on the bridge and coming down the ramps? This can affect the need for additional insulation (both in the walls and the glass) according to HUD standards, where certain studies and mitigation techniques may be required.

Not to our knowledge.

33. Are there any environmental issues that need to be dealt with, i.e. lead paint, historic fill? Will the site require a cap beyond the building foundation?

Available hazardous materials studies have been uploaded to the drop box. Environmental concerns will be addressed in a Phase 1 and, if necessary, Phase 2 environmental assessment. Oversight and regulation of any resulting mitigation efforts would be at the State level.

34. What is the time frame the City is committing to in order to have the Congress Street bridge reconfiguration analysis done by?

Summer 2020 – see also answer to question 22.

35. If there is any remaining buildable-land available after the completion of Taylor 1-4 and the reconfiguration of Congress Street bridge, are there any restrictions on what can be developed on those parcels (not already contemplated in the city's zoning ordinance)?

The RFQ doesn't specify the "rebuilding" of Taylor 1-4, nor does it prescribe density, specific configurations and proportions of uses. While it's important to make sure the development

project provides the conditions specified in the RFQ and that zoning and planning laws are upheld, the LDC's involvement in the project is designed to provide a level of expertise in allowable uses and a pathway to project approval within reason.

36. Are there any plans to abandon existing sewer infrastructure in order to achieve build out as shown in the Realize Troy Comprehensive Plan?

Water, sewer and utility infrastructure and capacity will all need to be considered during project design. If upgrades or investments are required, the LDC would prefer to explore the possibility of using grants and other financing models for "clean" or energy-efficient building systems.

37. Can you please provide current utilization rates for existing onsite residential parking?

Taylor 3 & 4 currently has approximately 90 parking spaces. Tenants are expected to register their vehicles with the site office. Currently 31 vehicles are registered, but we expect that some tenants have not yet registered their vehicles. Parking is also presently utilized by guests of tenants and Troy Housing Authority employees.

38. Can you please provide general square footages and uses for any THA-needed space within the project area at build out?

Troy Housing Authority will need an onsite office to process applicants and tenants along with reception and meeting space to meet with tenants that may be shared with other entities

39. Can you please provide the sign in sheet for the June 4th pre-bid meeting and site tour?

This will be uploaded to the drop box.

40. Section 2.4 refers to the availability of 23 units of project-based Section 8 through the authority's HCV program. Is there a reason for this limitation? Project-basing of Section 8 to replace public housing does not count against the 20%/30% cap on a PHA's vouchers that can be project-based. Please clarify.

The 23 Project Based Vouchers referenced in this section pertains to the remaining Tenant Based Vouchers in the Troy Housing Authority portfolio that may be project based. These could be available if the selected developer wanted to add more affordable units onto the property. You are correct the Project Based Vouchers in the Troy Housing Authority portfolio that exist as a result of the conversion from Public Housing to Project Based Vouchers through the RAD conversion do not count towards the cap on the number of vouchers that can be project based.

41. On Buildings 1 & 2, did HUD provide permanent tenant protection vouchers to support the relocation? If so, is it correct that RAD subsidy is not available any longer? HUD only lists the 127 units of Taylor 3 & 4 on its list of potential RAD conversion contract rents, Please clarify.

HUD did not provide tenant protection vouchers when buildings 1 and 2 were vacated. The vacating of these buildings occurred when the vacant Taylor 3 was renovated. Upon knowing that we intended to vacate Taylor 1 and 2 we stopped leasing units within these buildings as they became vacant. The remaining tenants in Taylor 1 & 2 were then accommodated in the renovated Building 3.

The Troy Housing Authority did receive a CHAP (Commitment to enter into a Housing Assistance Payments) Award letter on May 15, 2015 for Taylor 1 and 2 relative to RAD conversion but we have since withdrawn our application from the RAD Program on May 31, 2017. If the desire is to re-active these units as RAD units the process will need to start over.

42. If only ACC level subsidy is available for Buildings 1 & 2, under Troy Housing Authority's Faircloth limit, what is the expected level of subsidy? It is our understanding that Faircloth authority cannot be converted directly to RAD. Instead, the replacement units need to be built as public housing, which can then be converted to RAD. Please clarify.

The Troy Housing Authority Faircloth limit on the number of units within our portfolio is 1,219. The Troy Housing Authority currently has 1103 active subsidized units. Therefore, 116 units can be re-activated before we hit the Faircloth limit.

43. Please provide RPCA and environmental reports for Buildings 1 & 2, if available, and Buildings 3 & 4.

Available documents will be added to the drop box regarding 3 & 4; no RPCA available for 1 & 2

44. Please provide a copy of the operating budget for Buildings 3 & 4. Also, please provide the Tenant Paid Utility Allowances.

Taylor 3 & 4 Operating Budget and Troy Housing Authority Utility Allowance Schedule will be added to the drop box.

45. Is there any project-related debt that needs to be paid off as part of this transaction, such as EPC or CFFP? If so, what are the estimated pay-off amounts related to Taylor Homes?

Current EPC Payoff for Taylor Amount allocated to the debt is **\$233,630** (upon closing the payoff would be paid to THA and held in a debt reserve account on the COCC for continued debt service payments as we cannot pre-pay the loan. The collateral has already been released so lien related to EPC should not present an issue).

46. The RFQ speaks to relocation of the residents of Buildings 3 & 4 through RAD transfer of Assistance, which requires HUD approval if not done at time of conversion, or after 10 years of operation. Has the authority discussed this with HUD yet, with what response from HUD?

The RFQ states “The Development Team is open to responses that accomplish this reconfiguring on the existing property and responses that accomplish this reconfiguring through transfer of assistance to other properties within the City of Troy (such relocation of units will require HUD approval).” We have not yet discussed this with HUD because we have not yet selected a Development Partner. If a Development Partner is selected that wishes to pursue this approach we will initiate the conversation with HUD and work with the Development Partner on fulfilling the requirements of HUD related to Site and Neighborhood Standards Reviews and other Fair Housing Requirements.

47. Do tenants formerly from Buildings 1 and 2 have any rights to move back to any replacement units developed for these units?

The former tenants of Buildings 1 and 2 were accommodated in the renovated Building 3. If the tenants of Building 3 are temporarily relocated to accommodate renovations they will have a right to return.

48. Have the residents of Buildings 3 & 4 been surveyed about their choices for relocation assuming they will need to be relocated? If so, what are those results? Is there a residents' organization in place?

There has not been a survey relative to relocation of the residents of Building 3 and 4 as of yet. As this becomes a reality Site staff will meet with tenants to determine their needs and choices.

There is not an active Tenant Association at Taylor Apartments. There is a City-wide Resident Organization that will need to be consulted.

49. In regard to potential Transfer of Assistance, what properties does THA own, or that are owned by other non-profits, to which the RAD assistance can be transferred? How many units are there in these properties? Does THA own vacant land in non-impacted census tracts, where replacement units could be built? Can the THA absorb the tenants of building 3 and 4 if they were to be temporarily relocated?

The Troy Housing Authority will work with the selected developer on locating suitable lands for any proposed transfer of assistance. The Troy Housing Authority does not presently own any lands for this purpose.

50. The RFQ and follow-up materials refer to expected 254 market rate units. Was any residential market study conducted to determine this estimate? Please provide any recent market study addressing affordable and market rate units for this neighborhood.

The RFQ does not refer to any specific number of Market Rate Units. One of the corresponding slides related to the DRI application expressed that the Downtown Revitalization Project could generate 254 Market Rate units. This was in reference to the entire DRI target area, not just the Taylor Apartments site. There is no market study available relative to this vision.

51. The RFQ and follow-up materials refer to retail/commercial/and entertainment needs for this area (230,000 square feet for retail/entertainment; and 100,000 square feet commercial). Is there any economic development study that generated these estimates? If so, please provide.

The RFQ does not refer to these specific needs. One of the corresponding slides related to the DRI application expressed that the Downtown Revitalization Project could include these amenities. This was in reference to the entire DRI target area, not just the Taylor Apartments site. There is no economic development study available relative to this vision.

52. The RFQ and follow-up materials refer to the grant received by the City to study the feasibility of reconfiguring the bridge and/or ramps to mitigate the impact on flow of traffic from downtown. Has the City engaged a consulting team to carry out this study? What is the status of the study and estimated timeline for its completion? What is the involvement of the DOT in this study process, and the estimated timeline for those inputs?

The Cities of Troy and Watervliet have received a grant to jointly study the redesign of the Congress Street Bridge. No consulting team has been engaged as of yet and the expectation is for that study to begin sometime in the fall of 2019. During that process, stakeholders such as DOT, CDTA, community groups, the development team for Taylor Apartments and others will be included in the planning and design process.

53. Is there a height limit for the new development?

The Taylor site is zoned R-5, and allows for a maximum height of 150 feet. The City's Zoning Law may be found at <https://ecode360.com/> and should be reviewed by the prospective developer.

54. Are there any flood plains mapped on the site? Is there any expectation flood plains may be mapped on the site or altered during the expected period of site redevelopment?

Yes. The site lies in Zone A and Zone B of the National Flood Insurance Programs FIRM, Community Panel Number 360677 0003 B Effective Date March 18, 1980. There has been discussion about revising the maps, but no time line has been set. In 2015 during Hurricane Irene the parking area of Taylor 3 was completely flooded.

55. Is the City open to and willing to facilitate the relocation of existing easements and/or utilities that might impede redevelopment of the site?

Yes, depending on a specific need and action, the City is a willing partner to find the best possible solution.

56. In the Comprehensive Plan (p.96), building heights, retail frontages, and parking locations are specified, and contingent on removal of the bridge flanking ramps. In any rezoning/PUD/entitlement processes, will there be flexibility on the part of the City with these components of the Comp Plan to permit redevelopment of the site, whether the ramps are removed or not? Can you provide any traffic impact or sound level information for the sites?

The City hasn't conducted any traffic impact or sound level studies for the site. The City is willing to be flexible with the recommendations in the Comprehensive Plan. City-Wide rezoning is just now commencing.