Newark Housing Authority

Request for Qualifications

Co-Developer for
George Reed Village

Newark Housing Authority
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APPENDIX A

Site information

PART 1 – INTRODUCTION

1.1 GENERAL

The Newark Housing Authority ("NHA" or the "Authority") is seeking Statements of Qualifications from experienced development teams ("Respondents") for a mixed-use redevelopment plan that includes a new NHA administration building, retail/commercial space, community space and between 56-68 dwelling units. Additional information on the desired scope of the redevelopment and a conceptual site plan is set forth at Appendix A of this Request for Qualifications ("RFQ") (the "Redevelopment"). The NHA selection process under this RFQ will result in NHA's selection of a co-developer partner ("Developer Partner"). NHA shall serve as a co-developer together with its Developer Partner and shall play a significant role in the Redevelopment.

1.2 ORGANIZATIONAL BACKGROUND

NHA was organized for the purpose of building federal affordable housing. The NHA is governed by a Board of Commissioners. The Executive Director and the staff of the NHA are responsible for the administration and management of the Authority.

1.3 REDEVELOPMENT

As recited above, the Redevelopment will involve the redevelopment of NHA's 54 remaining public housing units (which consists of 36 units within 4 two-story buildings and 10 duplexes, and 18 scattered site units) located on or near George Reed Village (collectively the "Properties"). The Properties are further described at Appendix A.

Subject to and in accordance with HUD requirements, NHA anticipates pursuing redevelopment of the affordable rental housing component of the Properties by seeking approval from HUD to pursue a Streamlined Voluntary Conversion of the Properties pursuant to HUD Notice PIH 2019-05. NHA anticipates that respondents may propose utilize Project-Based Vouchers ("PBVs") and federal low income housing tax credits ("LIHTC") but is not committing to provide any funding under this RFQ and is open to all proposals whether or not they include LIHTCs as part of the financing for the Redevelopment. NHA does expect its Developer Partner to have demonstrated expertise with any program that it is proposing to utilize in financing the Redevelopment.

The successful Developer Partner will be required to work cooperatively with NHA in determining how the occupants will be housed during the construction of the sites.

The successful Respondent must demonstrate the ability and experience to implement a large-scale comprehensive Redevelopment. NHA will review more favorably proposals that minimize the level of resources being requested from NHA and that maximize the fees and economic benefits to NHA.

1.4 SECTION 3 AND MINORITY WOMEN BUSINESS ENTERPRISE PARTICIPATION

Section 3 is a provision of the Housing and Urban Development Act of 1968 and is intended to

ensure that when employment or contracting opportunities are generated through HUD funding that require additional employees to be utilized that preference must be given to low-and very low-income persons or business concerns residing in the community where the project is located.

The firm awarded the contract agrees to use its best efforts to subcontract and employ Section 3 and minority business enterprises and/or women business enterprises, certified and/ or recognized by NHA. NHA has a goal of 25% for Section 3 participation for all contracts, and will be focusing great efforts on meeting this goal.

NHA is an equal opportunity employer and requires all of its contractors to comply with policies and regulations concerning equal employment opportunity. It is important for those submitting bids to be aware that Section 3 differs distinctly from Minority and Women Owned Business Enterprises. Section 3 is both race and gender neutral. The preferences provided under the Section 3 regulations are based on income-level and location. The Section 3 program was designed to encourage residents of public housing neighborhoods and the surrounding areas to direct new employment and contracting opportunities to low income residents and the businesses that employ them. The purpose of Section 3 is not to hinder MBE and WBE participation, but to create opportunities for low and very-low income residents and women and minority owned businesses alike. The Authority's goal for MBE/WBE participation is set at 10%.

PART II – PROJECT SCOPE

2.1 OVERVIEW

The NHA expects the selected Developer Partner(s) to be a co-developer in conjunction with the Redevelopment. Once selected, the successful Respondent will make a good faith effort to enter into a development agreement with NHA in conjunction with the Redevelopment (the "Development Agreement"). As noted, above, NHA will work with its selected Developer Partner to seek HUD approval to redevelop the Properties. NHA is looking to its respondents to propose phasing, ownership structures, and financing for the Redevelopment. As such, working with NHA, the successful Respondent will be required to prepare plans for the Redevelopment that are financially feasible, that meet the goals of NHA and will be approved by HUD as required. The Developer Partner's specific responsibilities are set forth in Section 3.2 of this RFQ.

2.2 RELOCATION

The NHA will maintain responsibility for all relocation activities, but expects those activities to be funded or reimbursed out of the project budget. The NHA will work with its selected Developer Partner to ensure all relocation activities are consistent with all federal, state and local requirements. Additionally, the selected Developer Partner will work with the NHA to monitor and track all relocation, demolition and development activities to ensure all activities are implemented according to an agreed upon timeframe.

2.3 OWNERSHIP STRUCTURE(S), DEVELOPER FEES, AND CONTROL

NHA anticipates serving through a related entity as a co-developer and co-owner of the Redevelopment. To the extent that a respondent is proposing to utilize LIHTCs, NHA desires to

serve as co-general partner or co-managing member of the owner entity for the Redevelopment and have the right to become the sole general partner or managing member as early as possible after the initial operating period. NHA must also have the right to acquire any LIHTC phase at the end of the initial 15-year LIHTC compliance period for a price that is set at the minimum price permitted by Section 42 of the Internal Revenue Code (subject to investor consent). NHA desires to receive a significant portion of the developer fee and cash flow and will view more favorably proposals that structure and budget such fees most beneficially for the NHA. NHA will favorably review creative proposals that structure ground lease payments or other fees in addition to the NHA's receipt of a portion of the developer fee and cash flow. Additionally, the Redevelopment budget(s) must include reimbursement of all Authority third-party costs. All such Authority third-party costs and fees must be included in the Redevelopment budget. NHA expects its Developer Partner to provide any construction completion and operating deficit guarantees for the Redevelopment but may, in NHA's sole discretion, elect to assume guaranteed obligations during the operating deficit period in order to assume control of the Redevelopment after the initial operating period.

2.4 SUSTAINABLE DESIGN AND CONSTRUCTION

The selected Developer Partner must have, as a member of the team, an architect and a general contractor licensed in the State of Delaware, who may be affiliates, employees or subcontractors of the developer. The selected architect will be responsible for all documents related to design and construction. The general contractor(s) will construct, or procure construction, of all housing units for each corresponding component of the project as identified in the development plan or subsequent revisions agreed upon by NHA. The Developer Partner will oversee construction; ensure completion in a timely and cost effective manner; and ensure that all required occupancy permits and other necessary approvals are obtained after construction completion.

The construction contract(s) for the Redevelopment shall set forth either a fixed-price or a guaranteed maximum price, must be pre-approved by NHA and shall provide for assignment to NHA in the event of termination of the relationship with the Developer Partner.

The community should be designed with the current architectural vernacular of the region and the City of Newark. Respondents must demonstrate familiarity with environmental and sustainable practices and must be familiar with the green building design standards and guidelines.

2.5 PROPERTY MANAGEMENT

NHA shall ultimately serve as the property manager for the Redevelopment, but will entertain proposals whereby the Developer Partner will serve as the property manager through a certain period. That being said, NHA desires to assume control of property management as early as is feasible.

PART III- ROLES AND RESPONSIBILITIES

3.1 ROLE OF NHA

NHA will serve as the liaison for the selected Developer Partner with the City of Newark, HUD and other governmental agencies. NHA will play the following key roles in the development process:

- **Authority Role as Co-Developer, Co-General Partner/Managing Member of LIHTC Owner Entity, and Property Manager**. NHA shall participate in the Redevelopment as set forth in Section 2.3 of this RFQ. Also, NHA shall ultimately serve as the property manager as described in Section 2.5 of this RFQ.

- **Ground Lessor**. The NHA envisions utilizing a ground lease agreement with the LIHTC owner entity for the Redevelopment.

- **Relocation**. The NHA will maintain responsibility for all relocation activities. The Authority will work with its selected Developer Partner to ensure all relocation and activities are consistent with all federal, state and local requirements.

- **Cooperate with Developer to Obtain Low Income Housing Tax Credits (if part of the respondent's proposed financing)**. If the Developer Partner is included LIHTC financing in its proposed financing for the Redevelopment, the NHA will partner with the Developer Partner to obtain Low Income Housing Tax Credits for the Redevelopment. The Developer Partner will be responsible for preparing the LIHTC application for review, comment and approval of the NHA at least thirty (30) days prior to the submission deadline. After receipt of the NHA's approval of an LIHTC application, the Developer Partner shall be responsible for making timely application for tax credits for the Redevelopment.

- **Option/Right of First Refusal**. NHA shall hold an option and right of first refusal to repurchase the Redevelopment at the end of the initial 15-year LIHTC compliance period and the Developer Partner shall use best efforts to minimize investor exit taxes due based on the investor projections (as approved by NHA). The Developer Partner shall use best efforts to negotiate a right of first refusal at the minimum price permitted under the Internal Revenue Code (i.e. existing debt plus exit taxes).

- **Communications With/Submissions to HUD.** NHA will manage and take responsibility for all communication with HUD, and the preparation and submission of program documents and obtain all HUD approvals. However, to the extent any such documents are with the particular knowledge or responsibility of the Developer Partner, NHA will expect the developer to prepare or assist in preparing such documents, at NHA's direction.

- **Legal Counsel.** The NHA has retained legal counsel for its role with the Redevelopment. The Developer Partner(s) has the responsibility of providing its own legal services.

3.2 ROLE OF THE DEVELOPER PARTNER

The Developer Partner will work closely with NHA staff, public housing and community residents, stakeholders, and partners. The Developer Partner will be responsible for ensuring that the plan for the Redevelopment is approved, financed, and implemented and the successfully completed. The role of the Developer Partner shall include, but not be limited to, the following activities:

- **Capacity**. Provide the necessary staffing, expertise, supervision and guarantees to implement all aspects of the phased rehabilitation effort fully and expeditiously.

- **Development Team**. Assemble a team that covers the architectural, environmental review, market analysis, geo-technical studies, civil, mechanical and electrical engineering, and any other activities deemed necessary by the developer and/or NHA ("Development Team"). Respondents are strongly encouraged to demonstrate participation on their team of team members with expertise in areas of relevance to the locale's development process, including LIHTC financing (if applicable) and construction matters.

- **Master Planning.** Developing a plan for the Redevelopment in coordination with NHA, key stakeholders and residents. A final plan shall be completed with designation of development phases (if applicable) and a detailed development schedule.

- **Market Analysis and Appraisal**. A detailed market study to determine the overall feasibility of the conceptual plan of the project as proposed by the selected developer. The selected developer will also be responsible for any additional market analysis and appraisals to develop and obtain financing for the Redevelopment.

- **Design/Approvals**. The development of design and construction documents in accordance with the design criteria set forth further in this document. The NHA shall have final review and approval of all design and planning activities, as well as the selection of design professionals retained to execute the Redevelopment. The development partner shall ensure quality design and construction throughout the process. The development partner shall, to the satisfaction of the NHA, provide third-party construction phase monitoring to further ensure quality and performance. The Developer Partner will also be responsible for obtaining City permits and approvals and any other approvals that may be required.

- **Scheduling/Timing**. Establish a regular schedule of team meetings, in which the NHA will participate. Moreover, the Developer Partner will be responsible for submitting monthly progress reports to NHA on the project status and schedule, including but not limited to design, permits, financing, resident coordination, etc. Developer Partner shall develop and maintain a detailed schedule of events, predicated on financing deadlines, that includes pre-development activities, construction start, project stabilization and permanent loan close. Developer Partner shall also create a critical path schedule for all phases of construction, and lease-up and stabilization.

- **Ownership Structure**. Structuring the ownership entities for each phase of the Redevelopment in accordance with this RFQ and specifically Section 2.3.

- **Financing.** As determined by NHA in its sole discretion, review and prepare development and operating budgets, undertake feasibility studies and any required financial planning activities necessary. The Developer Partner will be expected to develop a financing plan that will provide all resources needed for redevelopment of the property and to take full responsibility for securing all financing sources in a timely fashion. The Developer Partner will be asked to analyze and evaluate the feasibility and viability of all development strategies and maintain accounting records and ensure redevelopment financing is available at the appropriate times and utilized in the appropriate manner.

- **Guarantees.** Provide development, operating, and tax credit recapture (if applicable) guarantees, as required by lenders and equity investors. Also, the Developer Partner shall provide a performance and completion guaranty to NHA. Developer Partner acknowledges and agrees that the Redevelopment shall be structured such that NHA shall not provide any guarantees to lenders and equity investors prior to NHA becoming the sole general partner or managing member of the LIHTC owner entity for the Redevelopment (which shall be as soon as possible in the initial operating period of the Redevelopment). As part of the assumption of guaranty responsibilities once the NHA assumes control of a phase of the Redevelopment by becoming the sole general partner or managing member, the Developer Partner shall indemnify and hold NHA harmless for any liability that arises related to the development and initial operating periods prior to NHA's assumption of control.

- **Tax Credit Application/Solicitation of Tax Credit Syndicator (if applicable).** If the respondent is proposing to utilize LIHTC financing for the Redevelopment, preparing applications to obtain tax credit allocations from in accordance with the qualified allocation plan and shall provide the NHA with complete draft applications at least thirty (30) days prior to the submission deadline for NHA's review and approval.

  In the event the Developer Partner desires to solicit an equity investment proposal from an affiliate, NHA may elect to control the solicitation process (and the Developer Partner shall recuse itself from the process), or the NHA shall impose other measures that it deems appropriate.

  The Developer Partner with input from the NHA, shall prepare equity solicitations which outlines, among other things, the following: the nature of that phase of the Redevelopment; the unit mix; the development budget; the development schedule; the operating assumptions, including the requirements and use restrictions of the various funding sources; the proposed ownership and developer structure (which shall include NHA as co-developer and a NHA-controlled entity as a co-general partner or co-managing member and assuming control as early as possible in the initial operations period); that the Developer Partner shall be the sole guarantor of obligations to the equity investor until NHA assumes control in accordance with this RFQ; and the potential contractor and property management arrangements. Prior to distributing the solicitation for equity proposals, the Developer Partner and NHA shall jointly compile a list of prospective equity investors to which the solicitation shall be provided. Once the proposals are received, the Developer Partner will analyze each proposal, compare them, and provide a recommendation to the NHA as to why the NHA should select a particular proposal. The Developer Partner will then negotiate with the prospective equity investor(s) and use its best efforts to maximize the amount of equity provided to each phase of the Redevelopment based on this type of

ownership/control/guaranty structure, while also considering, among other things, the timing of the equity payments, the reserve requirements, as well as the liquidity, net worth and guaranty requirements. No proposal which seeks to require guarantees from the Authority, other than those outlined in this RFQ, or as otherwise agreed to in writing by the Authority, will be accepted. The Authority shall have the right to comment on any draft letter of intent, to participate in negotiations of any draft letter of intent, and to make final selection of the Equity Investor.

- **Assist NHA with HUD.** While NHA shall be primarily responsible for interactions with HUD, the Developer Partner, at NHA's request, shall assist NHA with the preparation of program documents and obtaining HUD approvals. To the extent any such documents are with the particular knowledge or responsibility of the Developer Partner, NHA will expect the developer to prepare or assist in preparing such documents, at NHA's direction.

- **Coordination**. Coordinate all development activities, including reporting and budget requirements, with NHA.

- **Predevelopment**. Implement and coordinate all predevelopment activities, including site control, hazardous abatement and demolition, site improvements and assist in securing financial commitments from key partners. The Developer Partner shall also fund all predevelopment activities for each phase of the Redevelopment unless otherwise agreed to in writing by NHA.

- **Submissions/Reporting**. Prepare any and all required submissions to HUD, state, local or other agencies as may be required. The submissions are subject to NHA review and approval and NHA shall make any submissions to HUD. Submit monthly status reports to the NHA in areas of design, construction, management, financing, project status and scheduling. The selected Developer Partner shall also make written and verbal presentations to the NHA. Compliance with the MBE/WBE hiring/training of low-income residents (Section 3) and resident owned businesses must be a part of the monthly status report.

- **Resident/Local Employment and Contracting**. Develop a strategy in coordination with NHA for fostering Section 3 employment, training and contracting opportunities throughout the redevelopment process that are consistent with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) and aimed at improving the economic circumstances of individuals, households and companies in the City of Newark.

- **MBE/WBE**. Develop a strategy to maximize the contracting opportunities for MBE/WBE firms in accordance with the requirements of this RFQ, the policies of NHA, and applicable federal, state and local requirements.

- **Construction**. Ensure the redevelopment is constructed and managed with the highest quality materials and workmanship. The development partner will be required to implement quality assurance and control measures to ensure effective performance by all parties in all aspects of the program. Developer Partner shall provide appropriate guarantees for the completion of the project in a timely and cost effective manner and ensure that all occupancy permits and necessary approvals are obtained after construction for timely

operation of the development. The Developer Partner must submit a procurement process that meets the overall Redevelopment goals for review and approval by NHA.

- **Coordination**. Coordinate, conduct, and document all meetings with any and all public housing residents and resident associations in the surrounding neighborhood, city agencies, officials, HUD, NHA staff, businesses in the area, and any other. Developer Partner shall facilitate and foster the involvement of public housing residents in the implementation of the Redevelopment effort. In cooperation with NHA, Developer Partner shall keep residents informed of the status of the redevelopment effort, plan for providing job opportunities for residents during and after implementation, and assist/encourage resident businesses.

- **Supportive Services (if and as needed).** Identify and secure appropriate detailed financial information to support the revitalization and any supportive service initiatives identified.

- **Long Term Affordability of Rental Property**. The developer must devise a means to ensure the long-term affordability of the rental property used by low to moderate income residents, in conjunction with NHA.

- **Marketing Plan.** The Developer Partner is expected to create an effective lease-up strategy to obtain rapid initial occupancy and maintain ongoing high occupancy of all residential units and commercial space.

- **Option/Right of First Refusal.** Secure an option/right of first refusal for the NHA with each LIHTC investor and minimize investor exit taxes due based on the investor projections (as approved by NHA).

- **Maximize Fees to the NHA**. The NHA expects the Developer Partner to detail strategies to maximize the fees to be paid the NHA in unrestricted cash from non-Authority development sources for each phase of the Redevelopment. NHA shall receive a portion of the developer fee and cash flow for each phase and will more favorably view proposals that structure and budget such fees most advantageously for the NHA. NHA will favorably review creative proposals that structure ground lease payments or other fees in addition to the NHA's receipt of a portion of the developer fee and cash flow. Additionally, each phase budget must include reimbursement of all NHA third-party costs and a NHA administrative fee to cover staff time allocable to that phase of the redevelopment. All such NHA third-party costs and fees must be included in the development budget for each phase of the Redevelopment.

- **Compliance with all Laws**. Comply with all applicable federal, state and local laws, rules and regulations applying to the activities required by the RFQ. Developer Partner shall provide evidence that each subcontractor is not debarred, suspended or otherwise prohibited from professional practice by any federal, state or local agency.

PART IV - SUBMISSION REQUIREMENTS

4.1 METHOD OF SOLICITATION

NHA is asking developers for professional qualifications to serve as a Developer Partner of the NHA for the Redevelopment. NHA is requesting conceptual plans from the Respondents as to how they would develop the existing site at this time and has included a preliminary conceptual plan at Appendix A. It is the intent of NHA to select a Developer Partner, based on qualifications and conceptual plan, and enter into negotiations with the selected Developer Partner for the Redevelopment.

4.2 CONTENT OF SUBMISSION

Respondents must submit the following documentation in the order listed, which will serve as the **Statement of Qualifications**.

1. A narrative statement describing the Respondent's' knowledge and/or experience with public housing authority redevelopment efforts, the federal LIHTC program (if part of the respondent's financing), Delaware State Housing Authority ("DSHA"), and the Respondent's concept of an overall plan for the Redevelopment. This section should include a conceptual site plan, unit types and mix, development phases (if applicable), and estimated overall project budget including total sources and uses.

2. A description of the team's approach to the development process including identification of key milestones in a typical multiphase mixed-use project (including LIHTC experience, if applicable) and the average timetable for each major task. Identify and analyze one issue that presents the greatest risk in the proposed project and one issue that presents the greatest opportunity. (Limit five pages).

3. A general description of the developer's organization and current and past development activities (please highlight any developments that involved public housing authorities, any located in Delaware and any projects that are currently under contract or are anticipated to be under contract during the next 12 months). If you have participated in a co-developer relationship with a PHA, please provide details on that arrangement with regard to ownership structure, guarantees, developer fee splits, cash flow distributions, etc. Identify projected and actual development schedules as well as projected and actual development budgets highlighting deviations and explaining changes in schedules and budgets. Please provide the same information for each separate entity that comprises the Development Team.

4. A description of the scope and nature of residential development experience, including any previous experience in the redevelopment of public housing communities, Section 8 communities and other HUD-assisted communities. Provide a listing of all development projects over the past ten years with the following information: name and location of development; team members directly involved, including corporate and individual; number of residential units; total project development costs; total project construction costs; type of housing; financing methods and funding sources; commencement and completion dates; name and complete contact

information of client/owner; and, any ongoing professional relationship that continues to exist with the development.

5. A description of the applicant's knowledge of real estate financing methods that it proposes to utilize with the Redevelopment, including the use of funding tools such as LIHTCs, PBs, RAD, Mixed Finance, FHA insured mortgages, HOME funds, CDBG funds, development funds, and private mortgages. Include identification of all successful financing secured from competitive application processes for residential development projects over the past five years, particularly within the State of Delaware. Include a financing application schedule for the proposed project and a sample financial pro-forma from a similar real or fictional property. In addition, Respondents must include a description of their financial expectations specific to this project and anticipated financial return to NHA.

6. Names and resumes of key personnel who will constitute the Development Team under this request, including the architect, engineer, general contractor, and/or construction manager. This shall include, but not be limited to: an organizational chart providing the identity of interest corporations that will participate in this project; Directors and Officers of each identified corporation; disclosure of any overlapping ownership or directorship interests and/or of any conflicts; subcontractors or other affiliated participants with a description of their relationship; a narrative statement describing previous collaboration and/or interaction of team members; and, the address of the principal office and branch offices, if any. Indicate the percentage of time devoted to this project for each identified individual and their relationship in the Respondent's organization.

7. Five (5) corporate references containing at least one banking reference, and two current or recent client references, for development projects that the Respondent has successfully completed within the past five years. Three professional references for each legal entity and individual proposed as part of the Development Team.

8. A plan for Disadvantaged Business Enterprise (DBE) participation that includes a goal of 30% utilization of DBEs in the overall project. Include the specific actions to be taken to achieve this goal and evidence of success in utilization of DBEs in recent contracts in other locations.

9. A Section 3 plan that identifies the specific actions to be taken to offer employment to residents of public housing and evidence of Section 3 success in recent contracts in other locations. The plan should identify specific job classifications and numbers of positions to be offered under the Section 3 Program. In addition, the Master Developer should also identify specific actions to be taken to insure that Section 3 business have the opportunity to contract with the Developer in the implementation of this project. The Developer Partner should also identify specific actions that will be taken to insure that MBE/WBE goals are met.

10. Describe the Respondent's experience in working with public housing residents, Section 8 residents and/or other community-based grass roots organizations. Demonstrate the Development Team's experience in developing collaborative efforts in partnership with such organizations.

11. If LIHTC financing is proposed for the Redevelopment, describe Respondent's process for competitively soliciting a tax credit syndicator for the project and whether Respondent will seek NHA approval to utilize an affiliated equity investor (note: regardless of the Developer Partner's response, the solicitation process must meet the requirements of this RFQ – e.g. see Section 3.2). Provide a breakdown of the price per dollar paid by each syndicator for their most recent syndications and copies of the payout schedules.

12. All forms attached and/or required to be attached to the Statement of Qualifications as throughout this request, including but not limited to: HUD 5370-A; HUD 5369-A; HUD 5369-B; Full Disclosure Statement (Form No. 361); Equal Opportunity Statement; Non-Collusive Affidavit.

13. The most recent audited annual corporate financial statements and unaudited year to date financial statements for the most recent month end for all entities comprising the Development Team. These documents shall be submitted in a sealed envelope clearly marked "confidential".

4.3 DIRECTIONS FOR SUBMISSION

All Statements of Qualifications must be submitted in a three-hole binder with tabbed numbers for each identified section. All materials must be submitted in an 8.5" x 11" format. Respondents must submit an original, clearly marked and containing original signature in blue ink, along with 10 copies in a sealed carton by February 6, 2020 at 3pm Eastern, without exception, at the following address, to be deemed responsive and eligible for consideration:

NEWARK HOUSING AUTHORITY
Marene Jordan
Executive Director
313 E. Main Street
Newark, DE 19711

Proposals sent by overnight delivery service will be considered timely filed if date stamped at least one (1) day before the date set for receipt of proposals and time stamped at a time that should have, pursuant to the express policy of the overnight delivery service used, permitted delivery at the date, time and place set for receipt of proposals. The burden of proof to establish timely filing of a proposal by overnight delivery service shall be solely upon the entity or person submitting the proposal. It is the Respondent's obligation to ensure the required submission arrives in a timely manner at the specified location. Any proposal which is not properly marked, addressed or delivered to the submission place, in the required form, by the required submission date and time will be ineligible for consideration.

To assure that the Respondent's Statement of Qualifications arrives at the proper place, on time, and to prevent opening by unauthorized individuals, cartons containing submissions, must be identified on the outside, as follows:

Request for Qualifications

Co-Developer for
George Reed Village
Due: February 6, 2020 at 3pm Eastern

Faxed or electronic submissions of the Statement of Qualifications will not be accepted. Once received by NHA, submissions will not be returned.

Formal communication, such as requests for clarification and/or information concerning this solicitation shall be submitted in writing to Marene Jordan, Executive Director of NHA at the above address. No information concerning this solicitation or requests for clarification will be provided in response to telephone calls. All requests for information must be received by January 13, 2020 as set forth in the schedule below.

4.4 SCHEDULE

The anticipated schedule for this Request for Qualifications, selection of Respondent(s) and contract approval is as follows:

	ACTIVITIES	**DATE COMPLETE**
1.	RFQ Available	January 6, 2020
2.	Questions Due	January 13, 2020
3.	Response to Written Questions	January 20, 2020
4.	Submittals Due	February 6, 2020
5.	Interviews and Site Visits Completed	February 10, 2020
6.	Final Selection of Developer Partner	February 13, 2020

4.5 SITE VISITS

NHA, as part of due diligence in the selection of the Development Team, may conduct site visits of properties previously developed, owned, constructed and/or managed by members of the selected finalists. The purpose of the site visits is to enable the evaluation committee to more accurately assess the factors identified below for selection of the final Development Team. Site visits will be arranged with the finalists prior to the required interview at. NHA will reserve the right to select the location of site visits from any project submitted by the Development Team in the Statement of Qualifications.

4.6 QUESTIONS

Questions and inquiries regarding this RFQ may only be submitted in writing (e-mail is acceptable and preferred) and should refer to the specific paragraph in question. All inquiries must be received by and should be submitted by email to: Marene Jordan at MJordan@newarkhousingauthority.net. The Authority will respond to all questions in writing and those responses will be posted on NHA's website by January 20, 2020.

PART V - SELECTION PROCESS

5.1 DETERMINATION OF RESPONSIVENESS

An initial review process will be conducted by an Evaluation Committee appointed and controlled by NHA. Responsiveness will be confirmed through determining if the Respondent(s) have met all mandatory requirements outlined in this RFQ. Any submission not in compliance with the mandatory requirements will be deemed "non-responsive".

5.2 EVALUATION CRITERIA

The Statements of Qualifications will be evaluated through consideration of several factors. The Evaluation Committee will review all documents in the submissions and award points in accordance with the following criteria:

Technical Competence **30 Points**

- Demonstrated understanding of the real estate development process and quality performance in the development of large residential mixed income communities.
- Capability and experience of the members of the Development Team; and, determination of availability of all required skills necessary for the development process.
- Demonstrated expertise in working with public housing authorities on successful redevelopment efforts.
- Demonstrated conceptual understanding of HUD Streamlined Voluntary Conversion, mixed-finance, RAD, the LIHTC program (if part of the financing plan), PBVs, FHA financing, HOME, CDBG, etc.
- Comprehension of Newark's real estate market and goals and objectives of this RFQ demonstrated through a comprehensive conceptual plan for the Redevelopment.
- Degree of previous successful experience with other state housing finance agency programs (and specifically, DSHA's).
- Past performance in terms of compliance with development schedules and adherence to development budgets on other development projects.
- Ability to maximize development opportunity and minimize and/or manage development risk associated with the proposed Revitalization plan.
- Proven relationships with resident and/or grass root community organizations which demonstrate participation and partnership.
- List of affordable, Streamlined Voluntary Conversions, Mixed-Finance, RAD and other HUD-assisted projects in the last five years.

Financial Capacity and Access to Funding **25 Points**

- Financial stability of the Development Team as demonstrated through the corporate financial statements, and prior success in obtaining funding for development projects.

- Demonstrated record of financing affordable housing projects through a variety of funding sources and knowledge and experience working with the funding providers identified in this RFQ. Successful syndication of low-income housing tax credits.

Site Design and Concept **20 Points**

- Overall quality of conceptual plan for the Redevelopment.
- Design and construction of affordable residential housing as demonstrated at site visits.

Site Visits and Interviews **15 Points**

- Overall quality of design and construction of residential sites.
- Demonstrated shared understanding of the goals and objectives of NHA.
- Ability to complete the Redevelopment in accordance with the RFQ

DBE and Section 3 **10 Points**

- Previous success in utilization of DBE's and effectiveness of DBE plan for this project.
- Previous success with Section 3 requirements and effectiveness of Section 3 plan for this project.

TOTAL **100 POINTS**

5.3 SELECTION

Applicants will be ranked in order of total score for all evaluation factors combining the individual scores of each member of the evaluation team. If for any reason, a contract cannot be negotiated, the applicant with the second highest score will be selected for negotiation of a contract and so forth. NHA will continue to negotiate with applicants in the order of score total until a contract is finalized. NHA reserves the right to request a development plan from the next two highest scoring Respondents simultaneously with the designated Developer Partner.

PART VI – GENERAL INFORMATION

6.1 DESIGN PRINCIPLES

The new community should be designed based on scale, spatial organization, and building types that complement the surrounding neighborhood. Respondents should familiarize themselves with designs characteristic to complimenting the aesthetic of the surrounding neighborhood and the architectural styles.

6.2 AMENITY PACKAGE

The amenity package should be designed in a manner that will allow the development to compete in the market place. Amenities should not only meet the needs of individual residents, but should also respond to the existing conditions of the area's housing market. Due to the size of the site and its status as publicly owned land, the amenity package has the potential to provide a combination of elements that serve the surrounding neighborhood as well as the specific needs of the development to become the catalyst to anchor the project.

PART VII - GENERAL CONDITIONS

7.1 CONFLICT OF INTEREST

a. The Respondent warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest. Conflict of interest is defined as a situation in which the nature of work under this solicitation and the firm's organizational, financial, contractual or other interests are such that:

   1. Respondent may have an unfair competitive advantage; or

   2. The Respondent's objectivity in performing the work solicited may be impaired. In the event the Respondent has an organizational conflict of interest as defined herein, the Respondent shall disclose such conflict of interest fully in the proposal submission.

b. The Respondent agrees that if after an award, he, she or they discover an organizational conflict of interest with respect to this solicitation, he, she or it, shall make an immediate and full disclosure in writing to NHA that shall include a description of the action, which the Respondent has taken or intends to take to eliminate or neutralize the conflict. NHA may, however, disqualify the Respondent or if a contract has been entered into with the Respondent, terminate said contract, in its sole discretion.

c. In the event the Respondent was aware of an organizational conflict of interest before the award of a contract and intentionally did not disclose the conflict to NHA, NHA may disqualify the Respondent.

d. The provisions of Section 7.1 shall be included in all subcontracts or other agreements wherein the work to be performed is similar to the service provided by the Respondent. The Respondent shall include in such subcontracts and other such agreements any

necessary provisions to eliminate or neutralize conflicts of interest.

e. No member of or delegate to the U.S. Congress or Resident Commissioner or Resident Advisor to the Board of Commissioners, shall be allowed to share any part of the contract awarded under this solicitation or to any benefit that may arise there from. This provision shall be construed to extend to any contract made with the successful Respondent.

f. No member, officer, or employee of NHA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which NHA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in any contract or the proceeds thereof resulting from this solicitation.

g. No member, officer or employee of the Respondent selected to perform the services described above shall, during the term of their contract, or for one year thereafter, have any interest direct or indirect, in any contract that they are responsible for procuring, managing or overseeing on in the proceeds of any such contract.

h. NHA reserves total discretion to determine the proper treatment of any conflict of interest disclosed under Section 7.1.

7.2 COST OF PROPOSAL

All costs incurred, directly or indirectly, in response to this proposal shall be the sole responsibility of and shall be borne by the Respondents.

7.3 AWARDS

A contract shall be awarded in accordance with the terms and conditions of this RFQ. NHA reserves the right to negotiate and award any element of this RFQ, to reject any or all proposals or to waive any minor irregularities or technicalities in proposals received.

7.4 PROPOSAL TABULATIONS/NOTIFICATION

After the award is made, a list of firms submitting proposals will be furnished upon written request only and will not be provided by telephone. A self-addressed, stamped envelope must be included with the written request. Each unsuccessful vendor will be notified in writing promptly upon award. The notice will identify the successful firm.

7.5 FORM OF PURCHASE

The acceptance of the proposed firm's offer for the services specified herein will be made by issuance of a duly authorized contract prepared by NHA. Such contract may consist of a Development Agreement drafted by NHA's counsel. Vendors are cautioned to make no assumptions or accept any representations by any employee, member, officer or representative of NHA concerning the award until a contract ("Agreement") is executed.

7.6 GOVERNMENT RESTRICTIONS

In the event any governmental restrictions are imposed, which would necessitate alteration of the material, quality, workmanship or performance of the goods or services offered; it shall be the responsibility of the successful firm to immediately notify NHA in writing specifying the regulation which requires alteration. NHA reserves the right to accept any such alteration, including any reasonable price adjustments occasioned thereby, or to cancel the contract at no expense to the NHA.

7.7 NONCONFORMANCE TO CONDITIONS/SPECIFICATIONS/SCOPE OF SERVICES

Services will be inspected for compliance with specifications. Services not conforming to specifications will not be accepted. Services not provided in accordance with the Scope of Services may result in the firm being found in default. In the event of default all procurement costs may be charged against the firm.

7.8 ASSIGNMENT OR TRANSFER

The successful firm shall not assign or transfer any interest in the contract, in whole or part, without written approval of NHA. Claims for sums of money due, or to become due from NHA pursuant to the contract may be assigned to a bank, trust company or other financial institution. NHA is hereby expressly relieved and absolved of any and all liability in the event a purported assignment or subcontracting of the contract is attempted in the absence of the firm obtaining NHA's prior written consent.

7.9 AVAILABILITY OF RECORDS

The Comptroller General of the United States, the U.S. Department of Housing and Urban Development (HUD), NHA and any duly authorized representative of each, shall have full and free access to, and the right to audit and to make excerpts and transcripts from, any and all pertinent books, records, documents, invoices papers and the like, of the vendor, or in the possession of the firm, which shall relate to, or concern the performance of the contract.

7.10 PATENTS – LICENSES AND ROYALTIES

The successful firm shall indemnify and hold harmless NHA and their employees from liability of any kind, including cost and expenses for or on account of any copyrighted, patented, or not patented invention, process or article manufactured or used in the performance of the contract, including its use by NHA If the vendor uses any design, device or material covered by letters, patent or copyright, it is mutually agreed and understood that the proposal prices shall include all royalties or cost arising from the use of such design, device or materials involved in the work. Further all residual right to Patents, Licenses and Royalties (e.g. software and license to sue same purchased) shall revert to NHA at the end of the Agreement.

7.11 PERMITS AND LICENSES

The successful firm shall obtain all permits and licenses that are required for performing its work. The firm shall pay all related fees and costs in connection with required permits and licenses. Proof of ownership shall be made on all software used in the execution of the contract. The firm will hold NHA harmless for any violation of software licensing resulting from breaches by employees, owners and agents of the firm.

7.12 TAXES

The successful firm is responsible for all state and federal payroll and/or social security taxes. The firm shall hold NHA harmless in every respect against tax liability.

7.13 ADVERTISING

In submitting a proposal, the firm and their consultants agree not to use the results as a part of any commercial advertising.

7.14 INSURANCE

a. **Insurance**. The selected firm shall maintain at its expense during the term of the contract the following insurance. The selected firm agrees to procure and maintain at all times during the term of the engagement the types of insurance specified below in order to protect the NHA from the acts, omissions and negligence of the selected Respondent, its officers, officials, subcontractors, joint venture, partners, agents or employees. The insurance carriers used by Respondent must be authorized to conduct business in the State of Delaware and shall have a BEST Rating of not less than an "A" except when agreed in writing by the NHA. The insurance provided shall cover all operations under the Agreement, whether performed by co-developer or by its subcontractors. Upon engagement, the NHA shall be endorsed as additional insured on Respondent's policy and Respondents insurance will be endorsed as primary and non-contributory with any other insurance available to NHA.

(1) Worker's Compensation and Occupational Disease Insurance in accordance with the laws of the State of Delaware along with Employer's Liability in an amount of not less than $1,000,000 each accident; $1,000,000 each disease; and $1,000,000 for each disease/each employee.

(2) Automobile Liability Insurance (covering all owned, hired and non-owned vehicles with personal and property protection insurance including residual liability insurance under Delaware No Fault Insurance Law) in an amount not less than $1,000,000 per occurrence.

(3) Professional Liability Insurance in the amount of $2,000,000 per occurrence.

(4) Commercial Liability Insurance in the amount of $2,000,000 per occurrence and $5,000,000 per project aggregate.

(5) Such other insurance coverage as NHA may reasonably require.

Respondent shall furnish NHA with original certificates and amendatory endorsements effecting coverage required by this clause. All endorsements are to be received and approved by NHA before the Respondent's products or services are delivered. NHA reserves the right to require complete, certified copies of all required insurance policies, including endorsement affecting the coverage required by these specifications at any time.

NHA, NHA affiliated entities, and the City of Newark shall all be named as an additional insured on all policies. The selected firm shall comply with any applicable federal, state and local insurance requirements as well as the requirements imposed by NHA, NHA affiliated entities, the City of Newark, State of Delaware and HUD.

a. **Waiver.** The selected firm agrees to defend, indemnify and hold harmless NHA, its employees and agents ("Indemnities") from and against any and all claims of third parties for physical injury to persons or property to the extent caused by the negligence of the Respondent or its subcontractors, employees or agents, or anyone else acting on the Respondent's behalf in connection with the work required by this RFQ; provided, however, that Respondent shall not be required to indemnify any indemnities against liability for damages caused by or resulting from the sole gross negligence of indemnities. Respondent's indemnity shall include NHA's attorney fees incurred in defending any such claim or in enforcing this indemnity. Respondent hereby agrees to require all its subcontractors or anyone acting under its direction or control or on its behalf in connection with or incidental to the performance of this RFQ to execute an indemnity clause identical to the preceding clause, specifically naming NHA as indemnity, and failure to do so shall constitute a material breach of this RFQ by Respondent.

b. **Qualification**. The insurance company covering the firm must be licensed to do business in the State of Delaware.

7.15 PROOF OF LIABILITY INSURANCE

The successful firm shall furnish to NHA a certified copy of the policy or policies covering the work as required in the specifications as evidence that the insurance required will be maintained in force for the entire duration of the contract with NHA.

7.16 STANDARDS OF CONDUCT

The successful firm shall be responsible for maintaining satisfactory standards of its employees' competence, conduct, courtesy, appearance, honesty, and integrity. It shall be responsible for taking such disciplinary action with respect to any of its employees as may be necessary.

7.17 REMOVAL OF EMPLOYEES

NHA may request the successful firm to immediately remove from assignment to and/or dismiss any employee found unfit to perform duties due to one or more of the following reasons:

(1) Neglect of Duty

(2) Disorderly conduct, use of abusive or offensive language, quarreling, intimidation by words or actions or fighting

(3) Theft, vandalism, immoral conduct or any other criminal action

(4) Selling, consuming, possessing, or being under the influence of intoxicants, including alcohol or illegal substances while on assignment at NHA

7.18 SUPERVISION

The successful firm shall provide adequate competent supervision at all times during the performance of the contract. To that effect, a qualified consultant and one or more alternates shall be designated in writing to NHA prior to contract start. The firm or its designated representative shall be readily available to meet with NHA personnel. The successful firm shall provide the telephone numbers where its representative(s) can be reached.

7.19 PERFORMANCE EVALUATION MEETING

The selected firm shall be readily available to meet with representatives of NHA weekly during the first month of the contract and as often as necessary thereafter. A mutual effort will be made to resolve any and all performance problems identified at these meetings.

7.20 DISPUTES

a. **Issues Causing Protest.** Any Respondent which disputes the reasonableness, necessity, or competitiveness, of the terms and conditions of this solicitation or who has been adversely affected by a decision concerning a notice of intended or actual award, may file a written notice of protest with the contact person listed in the solicitation.

b. **Filing the Protest.** The Respondent must first advise the contact person listed in this solicitation in writing within 48 hours after receipt of the bid solicitation or intended or actual notice of award of its intent to file a formal written notice with the contact person listed in the solicitation.

c. **Content of Formal Written Notice.** The formal written notice should be printed, typewritten, or otherwise duplicated in legible form. The formal written notice of protest should contain the information that follows:

(1) The name and address of the Respondent filing the protest and an explanation of how its substantial interests have been affected by the bid solicitation or by NHA's notice of intended or actual award.

(2) A statement of how and when the Respondent filing the protest received notice of the bid solicitation or notice of intended or actual award.

(3) A statement of all issues of disputed material fact. If there are none, the protest must so indicate.

(4) A concise statement of the ultimate facts alleged, as well as NHA's policies, which entitle the Respondent filing the protest to relief.

(5) A demand for relief the Respondent deems they are entitled.

(6) Any other information, which the Respondent contends, is material.

d. **Response to Protest.** Upon receipt of a timely filed Notice of Protest and meeting the above requirements, the solicitation process, or award process will be stopped until the protest is resolved. The Executive Director may set forth in writing particular facts and circumstances which require continuance of the solicitation process on an emergency without the above mentioned delay in order to avoid material increased costs or immediate or serious danger to health, safety or welfare. This written documentation will specifically detail the facts underlying the Executive Director's decision and will constitute final agency action.

e. **Informal Resolution.** Upon receipt of the formal written notice of protest or intent to protest, the Review Team must attempt to resolve the protest on an informal basis. The Review Team will have seven (7) days after receipt of the formal written protest to resolve it through mutual agreement. If the protest is not resolved by mutual agreement within the required time, the formal written protest will be referred to the Executive Director.

f. **Resolution.** The Executive Director may request such information pertaining to the matter, as she deems appropriate. Within seven (7) days of the date that the formal written protest is referred to her, the Executive Director will notify the Respondent making the protest of her decision.

7.21 FEDERAL, STATE AND LOCAL REPORTING COMPLIANCE

The firm shall provide such financial and programmatic information as required by NHA to comply with all Federal, State and local law reporting requirements.

7.22 NONDISCRIMINATION

The firm agrees that it will abide by Federal and State Laws and City ordinances incorporated by reference herein.

7.23 SECTION 3 CLAUSE

Every applicant, recipient, contracting party, contractor, and subcontractor shall incorporate or cause to be incorporated a "Section 3 Clause" in all contracts for work in connection with a Section 3 covered development. All proposals must also include a Compliance Plan for Section 3 requirements.

7.24 PROJECT PERSONNEL

Except as formally approved by NHA, the key personnel identified in the accepted proposal shall be the individuals who will actually complete the work, at the proposed levels of effort. Changes in staffing must be proposed in writing to NHA and approved.

7.25 NOTICES

All written notices required to be given by either party under the terms of the contract(s) resulting from the contract award shall be addressed to the firm at their legal business residence as given in the contract. Written notices to NHA shall be addressed as provided in the contract.

7.26 CANCELLATION

Irrespective of any default hereunder NHA may also at any time, at its discretion; cancel the contract in whole or in part. In the event of cancellation, the firm shall be entitled to receive equitable compensation for all work completed and accepted prior to such termination or cancellation as shall be indicated in the contract.

7.27 LAWS

The laws of the State of Delaware and applicable federal law shall govern the contract.

7.28 CONTRACT DOCUMENTS

Written contract documents will be prepared by NHA. Modifications may be adopted based on final negotiations and specific requirements of the contract under this particular RFQ.

7.29 TRAVEL

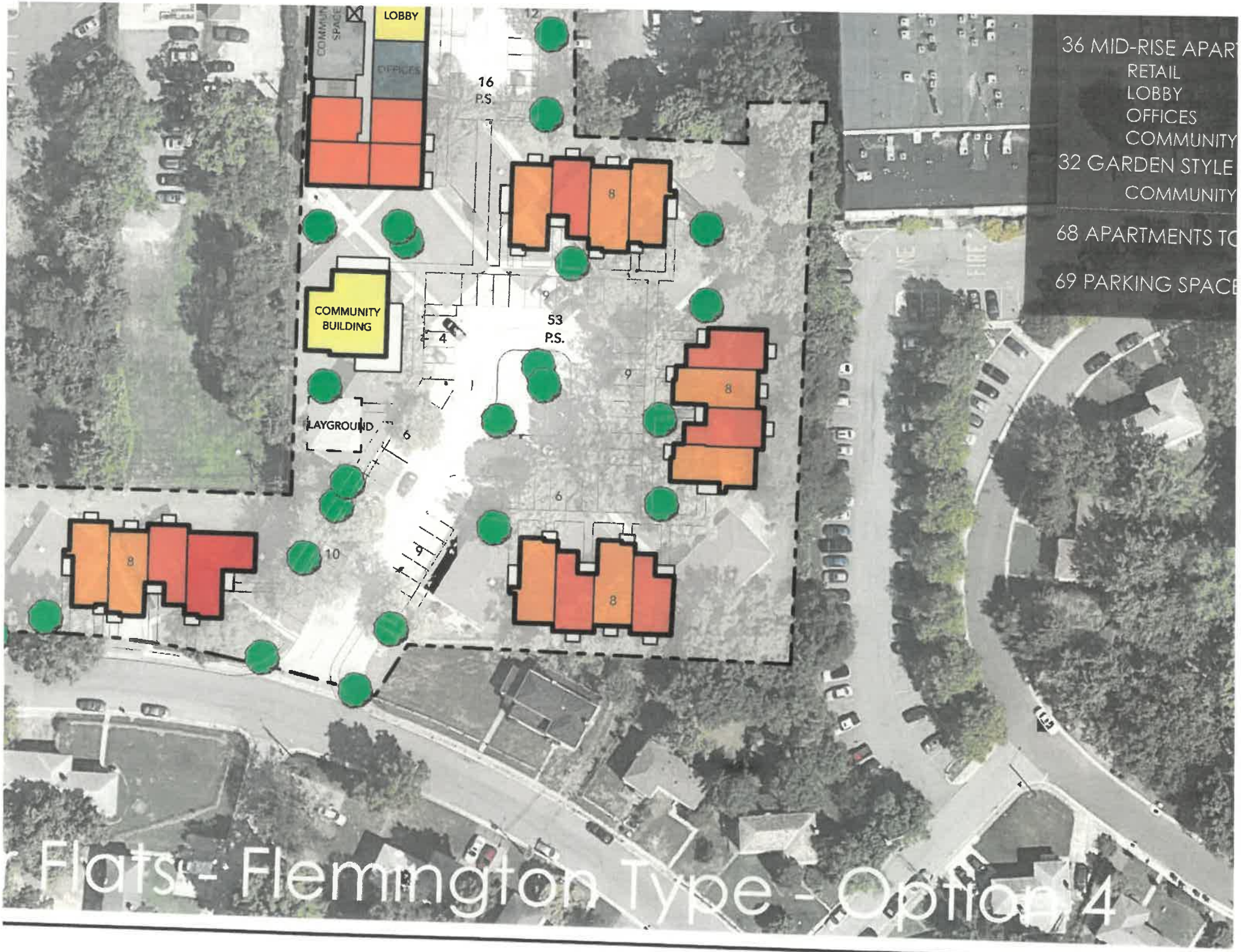
All travel and miscellaneous expenses will be borne by the Developer Partner.

7.30 CONTRACT AWARD

Any contract with a selected developer shall be subject to the approval of NHA and the U.S. Department of Housing and Urban Development (if applicable).

APPENDIX A
Site Information

The existing site contains the NHA administration building located at 313 E. Main Street, 36 1-bedroom units located in the rear of the admin building and 20 scattered site properties. NHA desires a mixed-use redevelopment plan that includes a new NHA administration building, retail/commercial, and between 56-68 affordable rental units. Attached on the next page is a preliminary conceptual site plan for the Redevelopment.



Flats - Flemington Type - Option 4