

HOUSING AUTHORITY OF THE CITY OF MONTGOMERY, ALABAMA

**REQUEST FOR PROPOSALS
TO SERVE AS
DEVELOPER PARTNER**

**MIXED-INCOME REVITALIZATION
TULANE COURT
MONTGOMERY, ALABAMA**

**RFP No: 116-09
Issue Date: December 30, 2009**

Dear Potential Offeror:

The Housing Authority Of the City Of Montgomery, Alabama Is Soliciting Proposals For:

SOLICITATION TYPE: Request for Proposals (RFP)

RFP NUMBER: **116-09**

DESCRIPTION: Developer Partner for the
Redevelopment of Tulane Court

ISSUE DATE: December 30, 2009

**PRE-PROPOSAL CONFERENCE
DATE AND TIME:** January 14, 2010 at 10:00 AM Central Time

**PRE-PROPOSAL CONFERENCE
LOCATION:** Victor Tulane Gardens Community Center
1101 Victor Tulane Circle
Montgomery, Alabama 36104

**SITE VISIT
LOCATION, DATE & TIME:** Victor Tulane Gardens Community Center
1101 Victor Tulane Circle
Montgomery, Alabama 36104
January 14, 2010 at 11:00 AM Central Time

PROPOSAL DUE DATE AND TIME: **January 27, 2010 at 2:00 PM CST**

PROPOSAL SUBMISSION PLACE: Housing Authority of the City Of Montgomery
1020 Bell Street
Montgomery, Alabama 36104

DIRECT INQUIRIES TO: Debra Edwards, MHA Procurement Coordinator
Housing Authority of the City Of Montgomery
Phone: 334.206.7195
Fax: 334.206.7196

Note: All inquiries must be received in writing by mail or by facsimile no later than January 19, 2010 by 4:00 P.M. Central Time.

All Proposals are subject to the Conditions, Instructions and the Specifications attached hereto.

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SECTION A - SUMMARY OF REVITALIZATION PROJECT AND OBJECTIVES

It is the intention of the Housing Authority of the City of Montgomery (MHA) to enter into a Revitalization Agreement with a qualified developer, firm, or development team (“Developer Partner”) for the creation of a master-planned, mixed-use, mixed-income, and mixed-finance community in downtown Montgomery, on the site of the former Tulane Court housing development which is currently being demolished. The selected Developer Partner and MHA will develop jointly a new, revitalized community (“New Community” or “Tulane Court Revitalization”) on the site that will contain an economically sustainable mix of subsidized rental units. Extensive new infrastructure must also be created to develop a neighborhood street pattern for the New Community and to strengthen linkages with the adjacent community.

MHA’s demolition application was approved by the US Department of Housing and Urban Development (HUD), August 14, 2008. Relocation of the residents was completed in early 2009 and demolition services commenced in October 2009, with demolition completion anticipated to be mid-summer 2010. Funds currently available to MHA will be used to fund demolition of the existing buildings, relocation of residents, hard and soft development costs for replacement public housing units, and potential supportive services for residents affected by the development.

MHA has prepared a Revitalization Plan and preliminary financing strategy to support the Tulane Court revitalization. A community involvement process has been utilized to seek input from both current residents and the larger community. The project has gained wide-reaching support.

MHA anticipates working with the selected Developer Partner to refine, alter or expand the Tulane Court Master Plan so as to best accomplish the revitalization of Tulane Court consistent with program objectives and requirements, and within schedule and financing constraints. If any additional public consultation meetings are required for the process, the selected Developer Partner will be expected to participate with MHA and other stakeholders during the planning process, at its own expense.

MHA expects the selected Developer Partner to act as the primary development entity and be responsible for assembling the necessary development financing, which MHA expects will include first mortgage debt, MHA investment, and substantial equity raised through syndication of the Low Income Housing Tax Credit (LIHTC). MHA expects that the selected Developer Partner will successfully provide training and guidance to MHA in the development, management, and ownership of LIHTC-assisted housing.

A portion of the rental apartments developed under the Tulane Court Revitalization program will be reserved for public housing eligible families (under 80% of area median income) and will be supported, if required, by payments of operating subsidy from the MHA (these units may be referred to as “PHA-Assisted Units”). Any other apartments may be offered at LIHTC levels, Market Rate, or other affordable rents.

MHA expects the selected Developer Partner to be responsible for financing, owning, leasing, managing and otherwise implementing and operating the New Community. The selected Developer Partner will be expected to provide the requisite experience, knowledge, and ability to support the project applications for funding through LIHTC, first mortgage financing and any other funding source(s). The selected Developer Partner will manage the development and construction effort and provide a construction completion guaranty. The selected Developer Partner, or a member of its team, must have demonstrated experience in developing, managing, and owning mixed-use, mixed-income, mixed-finance,

service-enriched communities and significant experience in urban neighborhood revitalization. See **Section B** for a more detailed description of the services to be provided.

In recognition of the land, financial resources, local coordination, and HUD expertise that MHA will provide directly or through its consultants, MHA expects to receive substantial economic benefits from the development and operation of the New Community that it can use to continue revitalization efforts at its other obsolete properties. MHA also desires to develop capacity in the development, ownership and governance of affordable housing communities, with the intent of assuming the GP interest at Tulane Court at the earliest time acceptable to lenders, investors and government regulators. In selecting a Developer Partner, MHA will give particular consideration to those respondents who are most supportive of these goals.

SECTION B - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

1. MHA BACKGROUND

The Housing Authority of the City of Montgomery, (MHA) is organized pursuant to the Code of Alabama to develop, acquire, lease and operate affordable housing for low-income families. The U. S. Department of Housing and Urban Development (HUD) was the primary funding agency for all new construction, modernization and rehabilitation of MHA's public housing units.

MHA has participated significantly in HUD's public housing and Section 8 Programs,

MHA-Owned Inventory

1,800 Housing Choice Vouchers

2,001 Public Housing Units in 8 communities with a total of 7,375 residents

With an eye toward expanding its role in affordable housing in Montgomery beyond conventional public housing, MHA desires to be a leader in the contemporary transformation of public housing. MHA will use the Tulane Court Revitalization Program as a vehicle to provide high quality housing for low-income families within a socially diverse setting and as a means to further enhance the capacity and knowledge of its staff, increase its familiarity with modern development and property management skills, and strengthen its financial base.

2. THE REVITALIZATION OF TULANE COURT

2.1 Background

Tulane Court is located directly east of the Alabama State government complex in downtown Montgomery. The site is bounded by Hall Street on the east; Highland Avenue on the south; south Jackson Street on the west; and Adams Street to the north. There is strong civic support for neighborhood redevelopment.

The former public housing development was comprised of 300 housing units. MHA and the residents of Tulane Court, in partnership with the City of Montgomery and various community stakeholders, developed and submitted a demolition application to the US Department of Housing and Urban Development to allow demolition of the public housing units and to allow funding for the revitalization of the Tulane Court neighborhood in a public/private partnership with a developer. HUD approved the demolition application in August 2008.

In preparation for the Revitalization Process and in advance of information meetings with Residents; MHA initiated several information presentations to a variety of community stakeholder groups starting in 2008. These initial presentations were intended to inform the broader community concerning the MHA intention to redevelop the Tulane Court site and provide an opportunity for the broader community to offer feedback and express concerns and ideas for the redevelopment of Tulane Court and the impact of this development on the surrounding neighborhood. Additional resident and community meetings were held in the fall of 2009, in concert with a HOPE VI application that was submitted for the development.

2.2 MHA's Goals for the Revitalization of Tulane Court

MHA's vision for the Tulane Court Community is to create a vibrant, attractive, mixed-use, mixed-income community, where people of all economic strata, races, and cultures will live, learn, work, play, and raise their families in close proximity to abundant employment, retail and cultural opportunities. The proximity of downtown Montgomery, a major transportation corridor nearby to the site, and access to recreational facilities makes it an ideal candidate for revitalization.

Through the planning process, MHA together with its residents and community stakeholders intend to establish the following guiding principles for the physical plan:

- Design a neighborhood in which residents choose to live, with:
 - A mix of housing types and sizes
 - A mix of people with a wide range of incomes, ages, races, ethnicities, and abilities, including the disabled.
- Establish connections and physical linkages between the former Tulane Court site and the surrounding neighborhood.
- Utilize the process and locational advantages to:
 - Provide or stimulate commercial and retail amenities for the community;
 - Generate additional funding through commercial development or land disposition; and
 - Create economic opportunities for the residents.
- Establish a working partnership with City of Montgomery Schools to assure that the children of the New Community have superior schools.
 - Encourage service provider partners to make this an educational community of excellence.
- Reflect the highest architectural and urban design standards of the best Montgomery neighborhoods, recognizing applicable cost limitations.

Additionally, the revitalization of Tulane Court should assure that MHA goals are met:

- Assuring that the process of replacing public housing units simultaneously enhances the City of Montgomery and improves neighborhoods for all families;
- Creating resident programs and services focused on job placement and training as well as educational and recreational youth activities;

- Leveraging shrinking Federal subsidies; and
- Creating an income stream for MHA.

2.3 Summary of Revitalization Plan

MHA, the City of Montgomery and community stakeholders have developed a detailed Revitalization Plan for the community. Divided into six distinct phases, the Revitalization Plan calls for the complete demolition of the 300 severely distressed public housing units and their replacement with a new mixed-income community composed of 482 rental and for sale apartments, including 134 public housing replacement units, 220 affordable units financed through Low-Income Housing Tax Credits (LIHTC), 78 market-rate rental units, 39 market for-sale units and 11 affordable lease/purchase units.

On site, the physical development plan creates a new community that is compact and pedestrian-friendly, using Smart Code and New Urbanism principles to design neighborhoods, streets, blocks and residences. The plan restores the original street grid, pattern of blocks, and architectural scale, reintegrating the site to its surroundings. A central feature of the plan is a central green square or community park to be known as “*Tulane Square*”, a key design element used to re-knit the urban fabric. This centrally located open space is available for unstructured recreation and civic purposes and is spatially defined by residential and mixed-use building frontages, establishing a strong neighborhood identity and connection to the historic Interpretive Center and ML King parsonage on Jackson Street, just a block away. Tree-lined streets lead from this central green, connecting the revitalized Tulane Court to the historic Oak Park, the City’s largest downtown 42-acre open space, linking the site, local elementary and middle schools and Alabama State University to the new community. Zoning approval of the site has been secured. The plan is in compliance with the City of Montgomery’s adopted SmartCode (as Amended, May 2007). All existing infrastructure on the site will be demolished and replaced with new underground systems for sanitary sewer, potable water, storm drainage, gas, electric, and telecommunications data.

The chart below summarizes the revitalization by phase; Phases 3 through 6 are subject to change based upon market conditions at the time of development:

MHA Tulane Court Community	Public Housing Rental	Affordable Rental	Market Rental	For Sale / Lease	Commercial / Other Development	TOTAL # of UNITS per Phase
Phase 1 - Rental Housing	67	67				134
Phase 2 - Rental Housing	67	67				134
Phase 3 - Market Rental			78			78
Phase 4 - Senior Component		86				86
Phase 5 – HO component				50		50
Phase 6 – Commercial / Retail					36,000 sq. ft.	0
Greenway Revitalization						
TOTAL(**) =	134	268	78	50		482

This RFP contemplates the selection of a Developer Partner that will assist MHA to implement Phases 1 and 2 related to multifamily rental housing development of approximately 268 LIHTC units, with 50% of those units reserved for public housing assisted families. At MHA’s sole option, MHA may elect to contract with the Developer Partner to engage in additional development including Phases 3 to 6 or other related

development activities. Respondents should provide information on their capabilities to partner with MHA in homeownership activities and commercial/retail development.

Respondents should address their assessment of the proposed Revitalization Plan, specifically indicating whether the Respondent is prepared to undertake development of Phases 1 and 2 as planned or believes that significant re-planning would be necessary prior to beginning pre-development activities.

2.4 On-Site Housing Development

MHA intends the development of market quality housing for families in the New Community. MHA proposes a mix of PHA-assisted rental family housing and affordable rental units, and affordable and market for sale units. It is anticipated that the PHA-assisted units will not exceed 28% of the total family units. The selected Developer Partner will have the opportunity to provide input to MHA on the proposed unit mix for the Tulane Court site.

As has been the case in other revitalization developments in Alabama, MHA expects that the selected Developer Partner will possess the requisite experience to support an application for Low-Income Housing Tax Credits for the PHA-assisted units and be qualified to manage receipt of and compliance with LIHTC credits requirements. However, the financing strategy is not limited to this source. Offerors are encouraged to provide a plan that addresses the needs of low-income families and integrates them into the broader community.

2.5 Adjacent and Off-Site Development

MHA recognizes that the successful revitalization of Tulane Court must encompass significant redevelopment of the surrounding neighborhood as well. Other nearby vacant parcels of land as well as vacant buildings appropriate for redevelopment and/or adaptive reuse will be considered as part of the comprehensive proposed redevelopment plan to maximize the impact of investment in the neighborhood as well as to provide opportunities for maximizing the amount of land available for housing and commercial development. MHA will review off-site opportunities with the selected Developer Partner and determine how best this strategy will be employed in the Tulane Court revitalization. Offerors are encouraged to respond with proposed acquisition strategies and revitalization proposals for adjacent parcels.

2.5.1 Initial Development Phases

As previously stated, MHA is initially engaging a Developer Partner for the development of phases 1 and 2 of the Tulane Court revitalization. A critical element in the implementation of a successful Revitalization Plan is the requirement that the first phase of development reaches its financial closing within 12 months of execution of the selected Developer Partner Agreement and begins construction. Clearly a key factor in MHA's evaluation of a Developer Partner will be the ability to achieve this requirement through the dedication of the appropriate resources required to meet this milestone.

Offerors will be asked to provide explicit information on their ability and resources available to meet this requirement, and evidence of access to financial resources for this first phase of development including existing LIHTC or bond financing, conventional equity and debt, or other financial resources. MHA anticipates filing an application with the Alabama Housing Finance Authority (AHFA) to secure an allocation of LIHTC credits for 2010 and requires that the

selected Developer Partner be immediately prepared to work with MHA on said application following selection.

Offerors who do not provide evidence that they have the ability and resources to meet this critical requirement will not be considered for selection.

2.6 Mixed-Use Development

MHA anticipates that the revitalization plan will include the development of appropriate mixed-use development along a portion of the Adams Street frontage of the site, and encourages Offerors to include such in their approach to the redevelopment. If MHA land is used for mixed-use development, MHA will expect to participate financially in the development, either through fee compensation for the land, equity interest in the development through contribution of the land, or through ground lease to the development entity.

2.7 Role and Expectations of MHA

MHA will be a partner in the redevelopment of Tulane Court, and as such, will have ultimate responsibility for the expenditure of its funds and oversight responsibility to assure the project is completed in accordance with all applicable laws, rules, and regulations and in accordance with the plans, schedules and budgets which will ultimately be approved by HUD. In general, the MHA will take responsibility for all required communications with HUD and the preparation and submission of program documents. However, to the extent that those documents reflect matters within the particular knowledge of the selected Developer Partner, or set forth development plans and the like, MHA will expect the selected Developer Partner to prepare drafts for MHA's approval.

2.8 Role of Development Consultant Team

MHA has engaged a development consultant/program management team led by Boulevard Group, Inc. (BG), a firm with significant national expertise in the planning and implementation of mixed finance projects, to develop the appropriate applications and Revitalization Plan for Tulane Court. As part of that effort, BG will assist MHA with selection of a Developer Partner. BG will also assist with the implementation of the Tulane Court Revitalization. MHA sees the services of BG as a substantial contribution on the part of MHA's development effort.

BG would assist and represent MHA in fulfilling its obligations under the revitalization plan and its agreements with the selected Developer Partner, and would be MHA's principal point of contact with the selected Developer Partner in assuring that the Tulane Court revitalization is developed in accordance with the Revitalization Plan, MHA design standards, all other applicable HUD regulations and best practices of the industry. The consultant team would also serve in a review role throughout the development of the final plan and in a monitoring and reviewing role throughout construction and lease implementation.

3. GENERAL REQUIREMENTS

MHA is seeking to select a Developer Partner and expects the selected Developer Partner, either directly, through an affiliate, or through contractual arrangements with other parties, (All members and partners are to be disclosed within the Developer Partner's Proposal.) to undertake the revitalization of Phases 1 and 2 of the Tulane Court project with MHA. At MHA's option,

MHA may engage the Developer Partner to continue the revitalization effort into the later phases of the project. However, MHA is under no obligation to do so.

The General Requirements enumerated in this section are intended to be the threshold requirements. An Offeror, by submitting its proposal, is indicating its commitment to comply with these general provisions.

The selected Developer Partner will be responsible for implementation of the following, either directly or by designing and implementing procedures to engage others in the work:

- Design and construction of all public infrastructure and site improvements
- Design, development and construction of all rental housing and related amenities on-site for Phases 1 and 2.

The selected Developer Partner will not be responsible for the design or provision of Community and Supportive Services for residents, but will be expected to coordinate its development activities so as to further that crucial revitalization component.

3.1 Socioeconomic Participation

It is anticipated that many opportunities will be available for the involvement of minority-, women- (M/WBE) and Section 3-owned businesses. MHA has an enduring commitment to such involvement and believes that Montgomery hosts strongly qualified entities in all those categories. The selected Developer Partner is expected to ensure significant participation by M/WBE and Section 3 firms throughout the planning and implementation stages of the revitalization.

Additionally, the selected Developer Partner is expected to use both imagination and diligence in providing genuine training and employment opportunities to Section 3 individuals, particularly former Tulane Court residents. The selected Developer Partner is expected to utilize and act upon those partnerships that the MHA will establish in its Revitalization Plan, and to supplement with additional partnerships and resources the selected Developer Partner may be able to provide.

“Section 3” refers to Section 3 of the HUD Act of 1968; generally, a Section 3 individual is a low-income community resident and a Section 3 business is one owned or controlled by Section 3 individuals.

3.2 Economic Deconcentration and Mixed-Income Use

MHA is committed to creating a genuine mixed-income community at Tulane Court and recognizes that program design issues may affect success in attracting middle-income families to the New Community. At the same time, MHA is extremely sensitive to the need to preserve affordable housing units for very low-income families. The proposed mix of subsidized and affordable units is intended to balance those concerns and create a viable community. Within the public housing units, it is intended that use of a working-family admissions preference will contribute to diversity and reward the efforts of very low-income families striving for self-sufficiency. Likewise, MHA has implemented a Community and Support Services Program that will give low-income families the tools they require to build their incomes and create economic diversity from within. The MHA will be open to any development plan that can assure the development of an economically and socially viable mix of these various income level units. It is

MHA's intention that each phase of the development contains a mix of the various income types and that there be no segregation of public housing or low-income units into a particular phase of physical area of the site.

3.3 Strategic Relationships in the New Community.

For its Revitalization Plan, MHA has assembled a key group of stakeholders committed to supporting the Tulane Court revitalization, including the City of Montgomery, City of Montgomery Schools, and other neighborhood and community stakeholders. MHA intends that the selected Developer Partner will continue to work with these key stakeholders in the redevelopment effort as directed by MHA.

3.4 Development Team

Offerors are encouraged to present to MHA a complete Development Team including the principal professional disciplines and trades required for the success of the Tulane Court Revitalization. MHA requires identification of the intended architect, engineering firm, and property management firm. Other team members are discretionary.

Please note:

- HUD rules prohibit non-competitive designation of a Developer-controlled entity as general contractor. However, HUD has approved the use of an identity-of-interest construction manager, where the CM guaranteed a not-to-exceed price and was paid a negotiated percentage of cost.
- MHA recognizes that some Offerors may prefer to designate certain team members, such as general contractors, after a competitive selection or bidding process. Offerors may, if they choose, explain their decision to defer selection of team members.
- MHA does not prohibit or discourage the appearance of any person or entity on more than one Development Team.
- An Offeror may include a preferred LIHTC syndicator on its team, but should be aware that MHA will require a demonstration at the time an equity proposal is accepted that the selected proposal is market competitive in equity raise and other terms.

3.5 Program Schedule

MHA's goal is to have the revitalization of Tulane Court proceed as expeditiously as possible. The selected Developer Partner will be required to comply with certain schedule milestones. In addition, it will be MHA's goal that the project obtain Low Income Housing Tax Credits in the 2010 competitive round provided by the Alabama Housing Finance Authority (AHFA). Offerors that demonstrate the required ability to complete Phases 1 and 2 of the New Community on the earliest possible, realistic schedule will be favorably received by MHA.

3.6 Reporting Controls

The selected Developer Partner is required to report directly to MHA and through such mediums and formats as MHA may direct, no less frequently than monthly or as directed by MHA, on

progress with respect to the redevelopment and related activities program, including work completed, associated costs, schedule, and budgetary requirements. This procedure shall be followed throughout the predevelopment, development, and operations phases of the revitalization.

3.7 Budgetary Controls

The selected Developer Partner will be required to provide detailed development and operating budgets acceptable to MHA as a part of the process of negotiating a revitalization agreement. Such budgets will be incorporated into the revitalization agreement and will be expanded and continually updated throughout the development process.

3.8 Form of Early Start Agreement and Revitalization Agreement

The selected Developer Partner will enter into negotiations for and be required to execute a Revitalization Agreement between the Offeror and MHA that will reflect the obligations of the parties and their relationship to the revitalization. MHA may at its sole option determine to enter into a Revitalization Agreement with the successful Offeror. Any Revitalization Agreement entered into will provide for termination of the agreement if an initial closing is not achieved within 12 months from execution of the agreement, unless mutually extended by the parties.

In order to ensure that negotiation of the Revitalization Agreement does not prevent the selected Developer Partner from beginning tasks which are essential to the timely filing of a 2010 application for Low Income Housing Tax Credits, MHA will consider entering into an Early Start Agreement reimbursing the selected Developer Partner for certain third-party costs. Forms of Early Start Agreement and Revitalization Agreement are available as part of the Supplemental Information. Respondents should indicate if any material provision of either document is unacceptable or if material provisions need to be added. Failure to object to any material provision or to suggest additional provisions will be deemed acceptance. It is not the intent of MHA to require that a respondent engage counsel to fine-tune the document; however, any issues which materially impact the relationship between the parties or the respondent's willingness to provide the services requested herein should be noted.

4. PROPERTY DESCRIPTION

4.1 Existing Site Conditions

The Victor Tulane Court development was constructed in 1952, containing 300 total units, with a mix of one, two, three and four bedroom apartments. Demolition of all existing public housing units will be completed in Summer 2010. The site itself is in an excellent location, well served by major transportation corridors with ready access to employment, shopping and schools.

4.2 Market Study

A market study by Robert Charles Lesser & Co. was prepared in 2008 to determine the marketability of the housing units proposed for the site. A copy of the market study will be made available for review by potential Offerors as part of the Supplemental Information. However, prospective Offerors are encouraged to perform such due diligence, including additional market studies, as may be required to be reasonably assured of the viability of their proposals for the development

4.3 Environmental Study/Site Survey/Existing Conditions

MHA will engage an engineering firm to complete a thorough boundary and topographic survey of the site and a Phase I environmental study will be made available for review by potential Offerors as part of the Supplemental Information. MHA's provision of this information will be for reference purposes only, and will not exempt the selected Developer Partner from responsibility for verifying all conditions.

4.4 Geotechnical Survey

MHA has procured an engineering firm to prepare a preliminary subsurface evaluation, as guidance towards design and construction of the project. A copy of this report will be made available for review by potential Offerors as part of the Supplemental Information.

5. SITE CLEARANCE AND PLANNING PHASE

5.1 Relocation

All residents of Tulane Court have been relocated by MHA. A number of the former Tulane Court residents have indicated their strong interest and desire to move back into the New Community. The PHA has not entered into any formal agreement concerning a resident right of return; however, the MHA has publicly committed that residents who relocated in good standing and remain in good standing under their leases during any relocation period will have first priority to return, subject to the availability of PHA-assisted units/Section 8 units and to reasonable screening, including the working requirements previously mentioned.

5.2 Phasing of Demolition and Development

The revitalization plan calls for demolition and infrastructure development to be accomplished in single phases and redevelopment is to be accomplished in multiple phases, in order to accommodate the need to have the availability of two rounds of LIHTC funding to provide adequate financing for the development of Phases 1 and 2.

6. DEVELOPMENT PROCESS

6.1 Role of MHA

MHA intends to be a full and equal partner in the development process. MHA will have various specific roles as ground lessor, lender, and overseer of program compliance with respect to public housing units. Each role is discussed briefly below. So long as the selected Developer Partner observes MHA's proper interests and public obligations with respect to those roles, MHA intends to respect the creativity, expertise and business requirements of the selected Developer Partner. MHA will expect the selected Developer Partner to respect it as the Project Owner and keep it fully informed and to secure advance consent to all significant decisions and public positions.

6.2 Role of Developer Partner

The selected Offeror will be expected to successfully work with MHA as the Developer Partner for the implementation of the development project. Of specific interest to MHA is the provision of the requisite information to enable MHA to act as its own developer in future transactions.

The specific duties of the Developer Partner (with MHA assistance) include, but are not limited to the following:

- Design and construction of all new public infrastructure and site improvements
- If required, participate in master planning in concert with MHA, its Development consultant Team, and community stakeholders including the Tulane Court residents
- Secure all project financing including: LIHTC resources, First Mortgage Debt, and other sources of funds. MHA will provide capital funds for the PHA-Assisted Units (not to exceed TDC limits) and will provide close support in seeking local governmental support.

Please Note: it will be a requirement of selection that the Developer Partner submit an application for a 2010 9% LIHTC allocation to the Alabama Housing Finance Authority to support development of on-site rental Phase 1.

- Design and construction of all rental housing on-site for Phases 1 and 2
- Use of an inclusionary process to involve MHA staff in the development process
- Organization of owner entity(ies)
- Provide capacity building training and assistance to MHA in all phases of development, construction, management, and compliance

The specific role and duties of the selected Developer Partner will be finalized during negotiations with MHA and documented in the Revitalization Agreement identified below.

6.3 Revitalization Agreement

MHA and the successful Offeror will negotiate to enter into a Revitalization Agreement describing the relationship of MHA and the successful Offeror and the roles and responsibilities of each party. The successful Offeror will undertake the redevelopment of the New Community according to the terms and conditions of the Revitalization Agreement.

A sample form of a Revitalization Agreement is provided in the Supplemental Information. The Revitalization Agreement further sets forth the assistance the MHA is prepared to provide the selected Developer Partner, conditions on that assistance, and requirements for closing each development phase. At each such development phase closing, phase-specific documents will be executed including, but not restricted to, a Ground Lease, Regulatory & Operating Agreement, and Authority Mortgage Loan Agreement/Note/Mortgage.

6.4 HUD Requirements

Because MHA will be providing capital and operating funding with public housing funds provided to it by HUD, certain HUD approvals will be required as set forth in the Federal Regulations at 24 CFR Part 941, Subpart F. Generally speaking, HUD will release predevelopment funds to MHA upon an appropriate showing of need and good stewardship.

HUD will release development funds only after approving first a Mixed-Finance Proposal, and then evidentiary documents which will generally be all significant closing documents.

MHA's Development Consultant Team, Boulevard Group, Inc, is experienced with these procedures and will have responsibility for submissions to and negotiations with HUD in conjunction with MHA Legal Counsel, based on development materials prepared by the selected Developer Partner and acceptable to MHA. However, in both development and operating matters, public housing requirements may require a different approach or additional procedures from those to which an Offeror is accustomed. MHA and its development consultants will provide assistance and guidance to the selected Developer Partner in these matters.

7. FINANCIAL STRUCTURE OBJECTIVES OF MHA

MHA is interested in a financial structure that accomplishes several objectives. They are:

- Producing the greatest public benefit with the smallest consumption of public resources
- Leveraging MHA's funds to attract private and conventional sources of capital
- Obtaining a return-on and a return-of the effort and capital invested by MHA
- Retaining title of the underlying land and a first right of purchase to the leasehold
- To be a full and equal partner through the development process
- Participating in the development fees, stream of income and other financial compensation derived from the New Community
- Financing the community and supportive services necessary to foster self sufficiency
- Utilizing a development process that can facilitate timely implementation
- Providing performance incentives to the selected Developer Partner

The following sections describe aspects of a legal and financial structure that has been used in other public housing mixed-finance transactions to accomplish these objectives. MHA will consider other structures that achieve the same goals for MHA.

***Additionally, MHA recommends that prospective Offerors read the Mixed-Finance Guidebook prepared for HUD's Office of Public Housing Investment by Abt Associates, Inc. dated December 21, 1998; and HUD Notice PIH 2005-26 Public Housing Development Total Development Cost (TDC) issued July 13, 2005 by the U.S. Department of Housing and Urban Development. Additionally, MHA recommends that prospective Respondents read and utilize the updated information published by the Office of Public Housing Investments on the HUD website at <http://www.hud.gov/offices/pih/programs/ph/hope6/mfph/index.cfm>.

Reference copies of these documents will be made available for review by prospective developers at the MHA Central Office.

7.1 Ownership Structure

An entity (the “Ownership Entity”) will hold title to the improvements for each phase of the New Community. MHA anticipates it will be a significant participant in the Ownership Entity. It is contemplated that the Offeror may have specific day-to-day management and operational authority as determined by the Ownership Entity, related LIHTC Investors, or Lenders. The actual ownership structure will be determined appropriately in negotiation with said parties. MHA will expect to participate in the Ownership Entity as an equal partner or as otherwise necessary to achieve agreed-upon economic participation.

7.2 Ground Lease

MHA will not convey its fee interest in the property used for rental housing development but will enter into a long-term ground lease with the Ownership Entity. MHA anticipates that the term of the ground lease will be not less than 55 years. The amount of annual rent under the ground lease may be nominal but is subject to negotiation and will be considered as part of the financial incentives provided to MHA by the Offeror. The ground lease will include restrictive covenants requiring that a designated number of PHA-Assisted Units will be available for public housing eligible families and subject to certain public housing rules for at least 40 years. At the end of the term of the ground lease, the property and all improvements thereon will revert to MHA.

7.3 Sources of Funds

The anticipated sources of funds include:

- MHA funds as described in the following section
- Conventional or Tax-Exempt Debt
- LIHTC Syndication Proceeds. MHA’s models presume that the Ownership Entity will obtain allocations of 9% Low Income Housing Tax credits for the majority of the PHA-Assisted Units in the development
- Equity
- City of Montgomery Funds. MHA’s Revitalization Plan anticipates a commitment from the City for funding for infrastructure improvements and site acquisition to support the redevelopment effort
- Proceeds from disposition of any MHA owned property, or debt backed by MHA’s interest in development and operational revenues from that site
- Federal Home Loan Bank Affordable Housing Program Funds
- Potential Section 8 Project Based Housing Assistance Payments contracts as rental subsidy
- Other sources, as the Offeror may recommend or determine

7.4 MHA Funds for Development

MHA may determine to finance the development costs through other public housing funds, MHA resources, or private debt. After provision for its own administrative purposes, resident relocation, the Community and Support Services program, and development components not covered by this RFP, MHA anticipates making available a set maximum allocation of funds to the developer for Pre-Development and Development at Tulane Court, subject to the following considerations. While these considerations reflect certain HUD requirements and policy positions, actual HUD requirements and positions at the time will govern. Rating criteria in this RFP may reward Offerors who propose the greatest leverage of the use of MHA funds. **MHA has identified existing capital resources necessary to fund its portion of development costs. While MHA has applied for HOPE VI funds and will pursue other available HUD grant resources, the development of the project is not dependent upon MHA receiving a HOPE VI grant.**

Public Infrastructure Design and Development: Subject to approval by the City of Montgomery, MHA is prepared to provide full reimbursement of design and engineering costs as well as construction cost and will consider payment of a reasonable construction management fee to the Developer Partner.

Predevelopment Advances: MHA will consider advancing, prior to closing on any development phase, up to 75% of third-party costs reasonably incurred by the Developer Partner in preparing for closing. Such cost advances are restricted to cost of work product which benefits or which can reasonably be assigned to MHA in the event Developer Partner fails to close. **These advances expressly exclude Developer Partner's overhead and legal fees.**

Development Loans: At closing on any development phase, MHA is prepared to loan funds to the Ownership Entity on terms to be negotiated.

Total Development Cost Limitations: MHA public housing funds used in the Tulane Court Redevelopment may not exceed the HUD Total Development Cost limits then applicable.

7.5 Operating Subsidy

Residents of PHA-Assisted Units may choose between a "flat rent" (which cannot exceed market rent or, if applicable, the LIHTC rent restrictions) or an income-based rent equal to 30% of adjusted income. MHA receives operating funds from HUD and is prepared to provide an operating subsidy, if necessary, to the Ownership Entity. It is MHA's intention that this operating subsidy, when combined with actual rental collections from the PHA-Assisted Units, not exceed the lesser of 1) the operating costs properly attributable to the PHA-Assisted Units, or 2) the Operating Fund subsidy which MHA receives from HUD in a given year attributable to the PHA-Assisted Units in the New Community, minus a reasonable allowance for MHA's oversight and administrative costs.

Attributable operating expenses must exclude any expenses primarily or exclusively attributable to LIHTC or Section 8 units only, which may include property taxes (if none are paid on the PHA-Assisted Units), excessive marketing costs, and debt service. Although MHA's conventional units are not subject to real property taxes and pay Payment in Lieu of Taxes (PILOT) instead, MHA has not determined whether this exemption would be legally available to the New Community and whether the taxing authorities would agree to its application in this instance. Units covered by LIHTC will be subject to this and other AHFA program requirements.

7.6 Net Operating Income

Net Operating Income will be the property of the Ownership Entity; however, MHA desires that at least 75% be used for debt service on the Authority loan.

7.7 Reserves

The selected Developer Partner may provide for customary and reasonable reserve accounts and may treat contributions to such reserves as an attributable operating expense of the PHA-Assisted Units. These reserves include Reserves for Replacement. To the extent any portion of such reserves is funded directly or indirectly with public housing funds, however, such funds must be treated as trust funds of the MHA.

It is customary in mixed-finance developments, as well, to establish an “Affordability Reserve” from owner’s equity to provide for the possibility that MHA would be unable (due to Congressional action) to provide the operating subsidy it obligates itself to pay.

7.8 Regulatory and Operating Agreement

MHA and the Ownership Entity will enter into an agreement, which may be recorded as a covenant superior to any financing on the property, setting forth the mutual understandings of the parties with regard to the operation of the PHA-Assisted Units. In particular, the R&O Agreement sets forth the PHA’s obligation to provide operating subsidy; permissible uses of project income and use restrictions applicable during a period of not less than 40 years. A form of Regulatory and Operating Agreement is included in the Supplemental Information.

7.9 Guarantees

MHA anticipates that the selected Developer Partner will be responsible for all guarantees of completion, operating deficits, and tax credits compliance required by tax credit investors or lenders during the period of the agreement with MHA. Additionally, MHA will require a completion guaranty in connection with its loan.

8. PROPERTY MANAGEMENT

MHA requires the New Community to be managed to high standards with effective lease enforcement a priority. Additionally, the PHA-Assisted Units must be maintained and operated in compliance with all requirements of LIHTC Requirements, applicable law, HUD regulations, and policies approved by MHA. Additionally, it will be critical for the management team to manage the property in accordance with the highest industry standards, including to the greatest extent practical, managing the property in a way that will enable MHA to be a “High Performing Agency” under the Public Housing Assessment System (PHAS) or any other system implemented by HUD to measure the effectiveness of a public housing authority in delivering services. The property management efforts are expected, at all times, to be sensitive to issues facing low-income residents and to be supportive of Community and Support Services programs provided or arranged for by MHA.

8.1 Post-Revitalization Property Management

No later than closing and property conveyance on any development phase, or as earlier agreed, the Ownership Entity will assume management through a Management Agent that may be a related entity and must be acceptable to MHA. The Management Agent must be familiar with certain rules and procedures that accompany the public housing program and must meet reporting requirements of the Ownership Entity to MHA, as set forth in the Regulatory and Operating Agreement. Any PHA-assisted units that are also assisted by LIHTC must be operated in compliance with AHFA requirements. In addition, the Developer Partner/Management Agent will be required to provide any management certifications required by HUD to qualify for applicable capital and operating funds.

MHA requires that the Offeror possess or include within its Development Team, the requisite experience to manage LIHTC housing and provide effective training to MHA in management and compliance of said LIHTC housing. It is MHA's intention to use its relationship with the Developer Partner to enhance its property management expertise and to share in property management responsibilities. During the initial two years (approximate) of operation of the property, MHA wants, through a mentoring and training process with the Management Agent, to transition into full management of the property. Of course all management transitions are subject to the approval of the Owner Entity and LIHTC Investor.

8.2 Site-based Waiting List

The Ownership Entity, through its Management Agent, will develop and maintain a site-based waiting list for the public housing-eligible units in the New Community. The site-based waiting list shall be operated in accordance with policies approved by MHA and adopted as part of its Annual Plan, in accordance with HUD requirements. The Management Agent shall use the site-based waiting list to select applicants for occupancy, subject to screening and eligibility requirements. MHA will furnish the Management Agent with the initial site-based waiting list that will consist of Tulane Court residents who have indicated a desire to live in the New Community.

9. COMMUNITY AND SUPPORTIVE SERVICES

MHA has formulated and will implement a basic Community and Supportive Services (CSS) program based on the stated needs of Tulane Court residents. Since the majority of the current Tulane Court residents are economically disadvantaged, the major thrust of the CSS effort will be a family self-sufficiency program. MHA will work with local organizations to provide the necessary job training, counseling, job placement and follow-up assistance, together with limited child care subsidy, transportation assistance, and other initiatives aimed at removing barriers to employment.

In addition, MHA will work with other organizations to provide largely in-kind services in other areas identified in the survey such as youth programs, elderly services, economic development assistance, healthcare, transportation, and education.

The selected Developer Partner will be expected to coordinate with and support the CSS activities as part of the overall development effort including potential Section 3 employment opportunities or WBE / MBE enterprises.

10. SUPPLEMENTAL INFORMATION

The following documents are available to provide supplemental information to prospective developers:

- Draft Form of Revitalization Agreement
- HUD Notice PIH 2005-26 Public Housing Development Total Development Cost (TDC) issued July 13, 2005 by the U.S. Department of Housing and Urban Development
- Tulane Court Revitalization Plan
- Tulane Court Market Study

Supplemental Information is available for viewing at MHA Central Office by appointment only. Please contact Tom Stone at 334 206.7276 to schedule an appointment.

Supplemental Information may be purchased in its entirety at its reproduction and handling cost of Fifty Dollars (\$50.00).

SECTION C - SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA

1. Submission Requirements

- A. Letter of Interest with requested information and proposed working agreements
- B. Team Experience and Qualifications
 1. Team Description
 2. Profile of the Developer Partner
 3. Profiles of Development Team Members
- C. Provision of Community and Supportive Services
- D. Proposed Developer Partner Approach for MHA Capacity Building
- E. Economic and Business Proposal
 - a. Fee for Infrastructure and Other Design/Construction Management
 - b. Proposed Fee Methodology and Split
 - c. Proposed Cash Flow Methodology and Split
 - d. Property Management Fee
 - e. Option and Right of First Refusal
 - f. Transfer of GP Interest
 - g. Issues with Revitalization Agreement or Other Stated Expectations of MHA
- F. Community, Resident and Minority Participation
- G. Certifications and Assurances
- H. Other Attachments

2. Description of Each Submission Requirement

The instructions below provide guidance on what the qualification-based proposal should contain and how it should be organized. Offerors must assemble submissions in the order described below and place proposals in 3-ring binders with tabs clearly identifying each section. Proposals must be organized in the order described in the Request for Proposals.

A. Letter of Interest

At the beginning of each proposal, the Developer Partner must provide a letter of interest listing the Developer Partner team members and identifying the primary contact person. The letter must be signed by an authorized principal of the Developer Partners' firm and include a statement that the proposal will remain valid for not less than one hundred eighty (180) days from the due date.

B. Team Experience and Proposals

1. Team Description: Provide general information on the Developer Partner and the Development Team, including the following information:

- a. Name of Developer Partner and proposed role.
- b. Main address, telephone/fax numbers and email address of Developer Partner firm.
- c. Address and telephone number of the office from which services will be provided to the development (if different from above).
- d. Contact person, title, telephone/fax numbers and email address.
- e. Description of the size, number of employees and the current workload of the Developer Partner.
- f. Identify the individual who will serve as Project Manager for the Developer Partner and who will direct and coordinate the development effort to completion.
- g. List the members of the Development Team. All entities that comprise the team should be identified, indicating their specialization(s) and specific contribution to the team. Developer Partners are encouraged to include specialists for all components of the program including design, property management, and legal and financing professionals. With regard to a construction contractor, please identify a construction partner or provide an explanation of why and how the construction partner(s) will be selected later.
- h. Provide a brief narrative description of previous collaboration among some or all members of the Developer Partner.
- i. For each discipline represented on your Development Team, indicate whether in your judgment familiarity with state or local rules, practices, conditions or personnel is important to the effective accomplishment of the development and, if so, indicate the extent of and basis for your team's familiarity.

- 2. Profile of the Developer Partner:** Provide an overview of the Developer Partner's experience in the design, construction and management of projects similar to what is proposed. Include the following information:
1. Identify all mixed use/mixed finance efforts in which the Developer Partner has been, or is currently involved.
 2. Provide three examples of previous projects evidencing the Developer Partner's experience with successful new construction of multi-family and mixed-use rental properties of similar size in an urban setting, including any such projects that provide evidence of the Developer Partner's experience in utilizing layered financing, including Low-Income Housing Tax Credits (LIHTC), tax-exempt housing revenue bonds, or other types of funding programs. State the source and amount of funding for each example. Include information about rent-up period, current occupancy, income groups served and operating deficit history.
 3. List five most recent LIHTC projects successfully completed, identifying the states where they are located, the size of the tax credit allocations and tax exempt bond allocations received, who the investor was and how much the investor paid for the tax credits (expressed in cents per tax credit dollar), specify the number of units, the unit size mix, the income groups served and the cost of each project.
 4. Provide evidence of ability to meet Phase I development requirements, including information on planned or existing housing development projects, existing financial commitments and sites under developer control through which the developer could provide near-term potential off-site housing development opportunities (see Section 2.5.1 of this RFP).
 5. Provide a narrative description of the Developer Partner's previous expertise in integrating community and supportive services and Section 3 goals into the overall development and maintenance of similar projects.
 6. The Developer Partner has a significant role in this project related to securing LIHTC resources and complying with LIHTC requirements as Owner, Developer and Manager. Developer Partner should provide information on experience in obtaining LIHTC allocations from the Alabama Housing Finance Authority, and its specific experience in development of LIHTC projects in the State of Alabama.
 7. Provide profiles of key staff, including the Project Manager, who will be involved in the redevelopment effort. Specify the roles of key staff in carrying out this development initiative and their previous experience with housing development and redevelopment efforts. For the Project Manager, and other key staff, identify what commitment of his/her time you will make if selected; identify the nature and extent of his/her involvement in other current projects and what adjustments would be made, if any, to these assignments, if selected.
 8. Attach financial statements from the Developer Partner or any affiliate who will be providing guarantees for the project. The financial statement must be current and should show the assets, liabilities and net worth of the entity. The Developer Partner must also provide the firm's most recent audit or a current financial statement prepared by a Certified Public Accountant. Additionally, submit bank references for the Developer Partner. Any entity whose financial statement is provided may be required to be a party to, or guarantee the performance of, the Revitalization Agreement and closing documents for any development phase.

9. In addition to the bank references, three relevant references must be submitted for the Developer Partner. References that are relevant to the scope of work as anticipated in this RFP and from among the following entities are desirable.

- Construction lender or Permanent lender
- General contractor on a comparable development
- Low Income Housing Tax Credit limited partner investor
- Prior joint development partner in a comparable development
- A Public Housing Authority or community-based group that has worked with the Developer Partner on a specific development in which the Developer Partner provided training and capacity building as described in this RFP.

3. Profiles of Development Team Members:

1. For team members not directly employed by the Developer Partner, provide an overview of their experience in contributing to affordable housing redevelopment in a role as anticipated in your response to this RFP.
2. Provide three examples of projects (completed or underway) evidencing the experience of the architectural firm with the design of residential developments similar to the Tulane Court Revitalization.
3. Three references must be submitted for each member of the Developer Partner. Your architect's references should be connected with the projects provided as examples and able to comment on any issues of cost or feasibility encountered with the designs.

Note: In providing references in accordance with 2(g) and 3(c), please provide name, title, organization name, phone number, fax, and e-mail address, and the name of the affordable rental housing, owner housing, or commercial development with which the reference is familiar. The MHA will verify references, as appropriate.

C. Provision of Community and Supportive Services

The MHA has implemented a Community and Supportive Services Plan that will include all public housing residents in the New Community. The MHA may have limited funds available for the provision of community and supportive services post-revitalization. However, the MHA will view favorably an Offeror who can bring other resources so that residents have sustained access to the supportive services they need to adequately provide for the emotional, physical and economic health and well-being of their families.

In narrative form, please identify the type of on-going community and supportive service arrangements and partnerships the Offeror has either implemented, or arranged, at mixed-income housing developments of comparable size and complexity in urban areas. Also state the proposed plan for supporting or supplementing the provision of community and supportive services at the New Community.

D. Proposed Developer Partner Approach for MHA Capacity Building

MHA will use the Tulane Court Revitalization Program as a vehicle to provide high quality housing for low-income families within a socially diverse setting and as a means to further enhance the capacity and knowledge of its staff, increase its familiarity with modern development and property management skills, and strengthen its financial base. Respondents to the RFP will

be asked to provide methodology and describe their approach to assisting MHA to meet this requirement.

E. Economic and Business Proposal

- a. Construction Management Fee. Propose fee for design and construction of the new public infrastructure. Include any add-ons, staffing costs, or direct reimbursements proposed for the Developer Partner's oversight.
- b. Proposed Fee Methodology and Split. Provide the developer fee methodology and distribution that you propose for MHA and the Developer Partner. HUD limits the Developer Partner to 12% absent special justification, which MHA would not be inclined to support. Recall that the per the RFP, the Developer Partner will provide assistance in securing project financing and will be responsible for the design of all rental housing, construction of all rental housing, and providing construction completion guarantees. Also, recall that MHA is providing a predevelopment advance for up to 75% of all third-party costs. Include any add-ons, staffing costs, or direct reimbursements proposed for the Developer Partner's oversight.
- c. Proposed Cash Flow Methodology and Split
- d. Property Management Fee . Specify the proposed property management fee for the initial operation, leasing, compliance, and management of the rental housing. Specify a proposed date for transition of the rental property management to MHA.
- e. Option and Right of First Refusal
- f. Transfer of GP Interest
- g. Issues with Revitalization Agreement or Other Stated Expectations of MHA

F. Community, Resident and Minority Participation

1. Equal Opportunity (MBE/WBE) and Non-Discrimination

Offeror must include a discussion of the approach and methods your team will utilize to assure strong participation by minority-owned and women-owned businesses. To the extent such businesses are included in the team or committed to be part of the development, they should be identified. Prior development experience utilizing MBE/WBE businesses should be described in sufficient detail to permit the selection panel to determine the team's track record and likely success. Offeror should also describe its commitment to equal employment under Executive Order 11246, the Viet Nam Veterans' Readjustment Act and Rehabilitation Act of 1973.

2. Section 3 (Housing Act of 1968) Compliance

Offeror must include a discussion of the approach and methods your team will utilize to assure significant employment of residents of the MHA and other individuals eligible as Section 3 participants. Offeror should indicate that they will require all contractors and subcontractors to utilize appropriate State-approved apprenticeship programs when available as a means to meet the Section 3 employment goals.

3. Community and Resident Participation

Describe how the team will involve the Tulane Court Resident Planning Committee and Community Task Force and in the planning and implementation of the redevelopment initiative. The response must include a discussion of the approach and methods your team will utilize to assure stimulation of the local economy by using local businesses including construction contractors, subcontractors and suppliers.

G. Certifications and Assurances

Offeror must complete and submit the required certifications and assurance forms located in the Appendix, and may be subsequently required to furnish certifications regarding debarment and suspension, as well as other standard certifications and reference release forms.

The successful Developer Partner must be willing to comply with all terms and conditions of the RFP. As a general requirement, the RFP specifies that all work is to be performed in accordance with professional standards, HUD regulations, requirements and criteria and local codes, regulations, ordinances and statutes. It will be the MHA's full expectation and a contractual requirement that the successful Developer Partner fully and routinely meet the above requirements.

H. Other Attachments

The Offeror may attach, at the end of their submission, other promotional materials or work products that would demonstrate their experience and Proposals.

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3. Evaluation Criteria

The following evaluation factors will be used in determining the Developer Partners who are deemed within a competitive range for further consideration. The interviews of Developer Partners in the competitive range will be used to identify the top-rated Developer Partner for negotiation of an agreement. Each proposal has a total possible score of 100 points.

Points Available	Criteria	Description of Criteria
40 points	Experience and Capacity of the Developer Partner	<p>The degree to which the Developer Partner demonstrates:</p> <ul style="list-style-type: none"> • Successful experience in the design and construction of mixed-income and mixed-use housing development projects of comparable size and complexity in urban areas; • Ability to obtain, structure and implement layered financing (including LIHTC in Alabama) for such projects; • Financial capacity (of the developer/provider of guarantees); • Familiarity with requirements applicable to mixed-finance development and public housing operation • Capacity to meet Phase I development requirements (see Section 2.5.1 of this RFP) • Demonstrated ability of Developer Partner to provide the required training of MHA in real estate development • Experience with obtaining LIHTC allocation from Alabama Housing Finance Authority (AHFA) and functioning as Owner, Developer, and Manager of LIHTC housing in the State of Alabama.
20 points	Experience and Capacity of the Development Team	<ul style="list-style-type: none"> • Cohesion of the team (including Developer Partner), as demonstrated by experience working together, and coherence of their technical responses. • Degree to which members of team (other than the Developer Partner) demonstrate successful experience in their respective disciplines as required for the design, development and operation of mixed-income developments of comparable size and complexity in urban areas. • If applicable, degree to which Developer Partner offers satisfactory justification for deferring until a later date the selection of some Developer Partner members. • Degree of team's familiarity and experience with state or local rules, practices, conditions or personnel that are important to the effective accomplishment of the development.
20 points	Experience and Capacity to Manage the Property	<ul style="list-style-type: none"> • The degree to which the Developer Partner demonstrates successful experience with ownership and property management (either directly or through supervision of property management provided by a third party) of mixed-income rental developments of a similar size. • Developer Partner's ability to observe public housing operational and reporting requirements\ • Demonstrated capacity of Developer Partner to provide the required training of MHA in LIHTC Compliance and market rate property management
15 Points	Support for MHA Economic and Organizational Objectives	<ul style="list-style-type: none"> • Reasonability of Proposed Fee Terms • Favorability of proposed fee split and cash flow split to MHA • Degree to which proposal reflects understanding of needs of MHA and constructive attitude toward resolving positions • Degree to which proposal reflects candor concerning likely positions of investors, lenders, state agencies and other third parties

2.5 points	Equal Opportunity (MBE/WBE) and Non-Discrimination	<ul style="list-style-type: none"> The degree to which the Developer Partner provides for minority and women-owned business participation reflective of the local community and demonstrates compliance with equal opportunity and non-discrimination requirements.
2.5 points	Section 3 Compliance and Resident Participation	<ul style="list-style-type: none"> The degree to which the Developer Partner demonstrates experience in, and an effective approach to, compliance with Section 3 requirements and resident participation.

SECTION D – SELECTION PROCESS AND SCHEDULE

1. Selection Process

The purpose of this RFP is to solicit meaningful proposals so that the MHA may select, from a range of proposals, one that best meets its needs and requirements. MHA urges all interested developers to carefully review the requirements of this RFP. Written proposals containing the requested information will serve as the primary basis for final selection.

MHA reserves the right to conduct negotiations with one or more Offerors, if in the sole opinion of the MHA, that method will provide the greatest benefit to the MHA.

All proposals will be initially reviewed to determine compliance with the submission requirements specified in this RFP. Proposals that do not comply with these requirements may be rejected without further review.

The evaluation criteria stated above will be used to determine the most competitive Offerors. At MHA's option, Offerors may be asked to participate in an interview process to further discuss how they will specifically apply their Proposals and experience in converting a plan for the Tulane Court Revitalization project into a feasible, sustainable, mixed-income and mixed-use urban development. MHA will use the interviews, reference checks and best and final offer to make a final determination of selection in accordance with the stated Evaluation Criteria.

2. Pre-Proposal Conference

A pre-proposal conference will be held at 10:00 am CST on January 14, 2010 at MHA's Victor Tulane Gardens Community Center 1101 Victor Tulane Circle Montgomery, Alabama 36104. A site visit will be conducted the same day immediately following the Pre-Proposal Conference. MHA will not be responsible for transportation to the Tulane Court Community.

Although attendance at the pre-proposal conference and site visit is not mandatory, it is highly recommended. The conference will provide potential Offerors with a briefing on the Revitalization program, the opportunity to discuss the project with MHA staff and consultants and tour the existing developments and adjacent neighborhoods. A summary of questions asked by participants, with the MHA's responses, will be forwarded to all potential Offerors on MHA's list of interested parties and those attending the pre-proposal conference.

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3. Procurement Schedule (Dates are approximate and for planning purposes only)

Procurement Activity	Date
Issue RFP	12/30/09
Pre-proposal Conference	01/14/10
Final Day to Submit Written Questions	01/19/10
Final Addendum to RFP Issued	01/21/10
Proposals Due	01/27/10
Review Proposals , Complete Initial Rating, and Verify References	02/04/10
Notify Offerors Within Competitive Range of Interview Date	02/05/10
Conduct Interviews	02/09/10 – 02/11/10
Conduct Final Review / Recommendation for Developer Partner Selection	02/12/10
Request Board Approval of Developer Partner Selection	02/16/10
Formal Notification of Selection by MHA	02/17/10

4. Response Due Date

Proposals submitted in response to this solicitation will be accepted until January 27, 2010 at 2:00 PM. Offerors must provide one (1) original clearly marked “ORIGINAL” and eight (8) copies, each of which should be clearly marked “COPY”. The required submission must be placed in envelopes or boxes marked “Tulane Court Revitalization Developer Partner Proposals” and delivered to:

Evette Hester, Executive Director
Housing Authority of the City of Montgomery
1020 Bell Street
Montgomery, Al. 36104

Proposals Due by January 27, 2010 – 2:00 PM CST

The submission deadline is firm as to date and hour. An Offeror may select any mode of delivery. However, the risk of non-delivery shall remain with the Offeror. MHA will treat as ineligible for consideration any submission that is received after the deadline. Upon receipt of each proposal, MHA will date stamp it to evidence timely or late receipt and, upon request, provide the Offeror with an acknowledgement of receipt. Faxed or emailed submissions will not be accepted. All timely submissions become the property of MHA and will not be returned. Proposals will be held in confidence and provided only to those involved in the procurement process. Financial statements and bank references may be placed in a separate sealed envelope marked “confidential.” All information from non-successful Offerors, which is clearly identified as confidential, will be returned to the Offeror after the date the agreement is executed with the selected Offeror.

5. Committee to Evaluate the Proposals

In accordance with 24 CFR Part 85, a Committee has been established that will be responsible for overseeing the development team procurement process and making a selection recommendation to MHA's Executive Director and Board of Commissioners. The Committee will be made up of representatives of MHA, and a member of the Tulane Court Resident Council. The Committee will determine which proposals are competitive based on the established evaluation criteria and point system. Offerors whose proposals are determined to be in the competitive range may be interviewed by the Selection Committee, at MHA's option. Following the interviews (if required), offerors may be required to submit supplemental information. The Selection Committee will then assign a final score for each proposal.

The Committee may consider unacceptable any proposal for which critical information is lacking or whose submission represents a major deviation from the requirements of this RFP. Minor omissions, such as incomplete references may, at the sole option and discretion of MHA, be corrected subsequent to the submission due date.

6. MHA Procurement Policy

MHA may reject any or all proposals that are determined not to be in the MHA's best interests. In addition, MHA reserves the right to waive any informalities or minor irregularities if it serves the parties' best interest to do so. The MHA will select an Offeror based on the evaluation criteria, subject to the negotiation of fair and reasonable compensation.

SECTION E - GENERAL INFORMATION

1. Interpretation

The intent of this RFP is to establish the general specifications for the professional services needed and to provide prospective Offerors with sufficient information to enable them to provide an acceptable response to this RFP. Every effort has been made to outline requirements and to provide information in a format that is clear and concise. Nevertheless, questions may arise, or additional information may be needed. Questions and inquiries regarding this RFP may only be submitted in writing (via post, email or fax) and should refer to the specific paragraph in question. **All inquiries and questions must be received by January 19, 2010 at 4:00 PM.** Inquiries must be submitted to:

Debra Edwards, MHA Procurement Coordinator
Housing Authority of the City of Montgomery
1020 Bell Street
Montgomery, Al.36104

Questions due by January 19, 2010 at 4:00 PM.

Responses to inquiries will be provided as written addenda to this RFP and will be on file and available for inspection at MHA offices. MHA will provide copies of all addenda to all potential Offerors to whom this RFP has been provided. The addenda shall become part of this RFP and all Offerors will be bound by the addenda.

2. MHA Options

MHA reserves the right to at any time, in its sole discretion and for any reason, to do any or all of the following:

- a. Waive or correct any immaterial defect or technical error in any response, proposal or proposal procedure, as part of the RFP or any subsequent negotiation process;
- b. Reject, in whole or in part, any and all proposals received in response to this RFP which are incomplete and/or non-responsive;
- c. Request that certain or all Offerors to this RFP supplement or modify certain aspects of the information or proposals submitted;
- d. Cancel this RFP and/or reissue a request for proposals;
- e. Procure any service by any other means legally permitted;
- f. Modify the selection procedure, the scope of the proposed project or the required responses; and
- g. Extend deadlines for accepting proposals, request amendments to proposals after expiration deadlines, or negotiate or approve final agreements.

All Offerors shall comply with the conditions, requirements and specifications contained herein. Any departure shall constitute sufficient cause for rejection of the proposal at MHA's discretion.

No award will be made to any Offeror that is determined not responsible to perform or if suspended, debarred, or otherwise determined ineligible to receive an award by HUD in accordance with 24 CFR Part 24. Prior to award, MHA will review the proposed Offeror's ability to perform the contract successfully, considering such factors as the Offeror's integrity (including a review of the List of Parties Excluded from Federal Procurement and Non-Procurement Programs published by the General Services Administration), compliance with public policy, record of past performance (including contacting the Offeror's previous clients), and financial and technical resources.

MHA will accept only one proposal from each Offeror. However, subconsultants may participate as members of more than one Offeror's development team.

3. No Claim Against the MHA

An Offeror shall not obtain, by submitting a proposal in response to this RFP, any claim against MHA or MHA's property by reason of all or any part of any of the following: any aspect of this RFP; the selection process; the rejection of any or all offers; the acceptance of any offer; entering into any agreements or the failure to enter into any agreements; any statement, representations, acts or omissions of MHA or any person or entity acting on its behalf; the exercise of any discretion set forth in or concerning any of the foregoing; and any other matters arising out of the foregoing.

The Offeror will be responsible for all costs incurred in preparing a response to this RFP. All material and documents submitted by Offeror will become the property of MHA and will not be returned. The Offeror selected for further interviews and negotiations will be responsible for all costs incurred in connection therewith.

4. Personnel

In submitting a proposal, the Offeror is representing that the personnel described in their proposal shall be available to perform the services described, barring illness, accident or other unforeseeable events of a similar nature in which cases the Offeror must be able to provide a qualified replacement. Furthermore, all personnel shall be considered to be, at all times, the sole employees of the Offeror under its sole direction, and not employees or agents of MHA.

5. Contact with MHA Staff, Board Members and Residents

All communications with MHA shall be in writing to:

Debra Edwards, MHA Procurement Coordinator
Housing Authority of the City of Montgomery
1020 Bell Street
Montgomery, AL 36104

Beyond the above referenced written communications, Offerors and their representatives may not make any other form of contact with MHA Staff, Board Members or Residents. Any improper contact by or on behalf of an Offeror may be grounds for disqualification.

6. Contract Form and Issues

This RFP will lead to a Revitalization Agreement, the exact terms of which will be negotiated between MHA and the successful Offeror. No contractual rights shall arise out of the process of negotiation until such time as the MHA and the selected Offeror have signed an agreement. Work under the agreement shall commence immediately upon execution. HUD must approve the Offeror agreement prior to execution.

7. Rules, Regulations and Licensing Requirements

The Offeror, their staff and agents shall comply with all laws, ordinances and regulations applicable to the services specified herein, especially those applicable to conflict of interest. Offerors are presumed to be familiar with all Federal, State and Local Laws, Ordinances, Codes, Rules and Regulations that may in any way affect the services to be provided.

8. Equal Opportunity Employment

Offerors agree that there will be no discrimination as to race, gender, religion, color, age, creed or national origin in regard to obligations, work and services performed under the terms of any contract ensuing from this RFP. Offerors must also agree to comply with Executive Order 11246 entitled "Equal Employment Opportunity" as amended by Executive Order 11375, as supplemented by the Department of Labor Regulations (41 CFR Part 60).

END OF TEXT