



RFQ Number: P-004521
Date of Issuance: April 21, 2015
Due Date: May 21, 2015

To Prospective Offerors:

The Philadelphia Housing Authority (“PHA” or the “Authority”) is hereby requesting quotes for:
Liddonfield Homes Site Development

The Philadelphia Housing Authority (PHA) is organized under the laws of the Commonwealth of Pennsylvania to develop, acquire, lease and operate low-rent housing programs. PHA is the largest housing agency in the Commonwealth, and the fourth largest in the Nation. The Authority has approximately 81,000 residents in 34 conventional developments, and about 5,500 scattered site units. Additionally, PHA currently administers over 16,000 Housing Choice Vouchers. PHA has an annual budget of approximately \$371 million, which is primarily funded by the U.S. Department of Housing and Urban Development. In April 2013, Kelvin Jeremiah was appointed President and CEO.

This procurement is being implemented in accordance with the CEA. Further, this procurement may be subject to the approval of the HUD representative acting for the Board of Commissioners as required by the CEA and the requirements of PHA’s Controlled Policy and Procedure Issuance No. 10, Procurement Policy.

Offerors must submit one (1) original and six (6) copies of their quotes, including the required proposal forms, as well as an electronic copy (on one or more CDs) in Microsoft Excel, Microsoft Word, and/or Portable Document Format (PDF) formats and the proposal shall be based upon and in conformity with this Request for Quotes. The proposal shall be enclosed in an envelope, which shall be sealed and clearly labeled with the name of the offeror, the RFP number, and the proposal due date. Quotes must be received by PHA Contracts Department at 3100 Penrose Ferry Road, Philadelphia, PA 19145, no later than 11:00 A.M. on proposal due date indicated above. Late proposals will not be considered. Quotes submitted via electronic mail will not be accepted. Photo identification is required for entrance into our facility.

Requests for additional information should be directed to the Contracting Officer’s representative, Kevin Denniston, Sourcing Manager, Philadelphia Housing Authority, 3100 Penrose Ferry Road, Philadelphia, PA 19145, e-mail; Kevin.Denniston@pha.phila.gov, Fax (215) 684-1213. Note that inquiries received later than seven (7) days before receipt of proposals may not receive a response.

Sincerely,

KELVIN JEREMIAH
PRESIDENT & CEO
THE PHILADELPHIA HOUSING AUTHORITY

Statement of Work
Liddonfield Homes Site Development

TABLE OF CONTENTS

Part I: Introduction.....2

Part II: Overview4

Part IV:6

PART V SUBMISSIONS11

 Project Description 11

 Development Team Description..... 12

 Financial Plan and Budget 12

 Development Schedule..... 13

 Architectural Documentation..... 13

 Zoning Analysis 13

 MBE/WBE and Section 3 13

Part VI. Proposal Review and Evaluation Process13

 A. Submission and Review..... 13

 B. Notification Process 14

 C. Environmental and Land Use Review 14

 D. Site Disposition and Approval Process 15

Part VII: Conditions, Terms and Limitations.....15

Rating Factors

Exhibit A – Site Description

Exhibit B- Phase I Environmental Assessment

Exhibit C- Business Term Sheet

Part I: Introduction

PHA is a public body, corporate and politic, and exercises public and essential governmental functions pursuant to the Housing Authorities Law.

PHA is the largest housing agency in Pennsylvania and the fourth largest public housing authority in the United States. It maintains 34 conventional developments and approximately 6,000 scattered site units throughout the City of Philadelphia.

PHA is soliciting proposals for the conveyance of a portion of the Liddonfield Homes site or the entire Liddonfield Homes site, located in the City of Philadelphia, Pennsylvania (the "Site"). PHA desires to have a portion of the Site developed as affordable project-based senior housing and the other as market-rate residential and/or commercial.

The Site is located in the Northeast area of the City of Philadelphia and is approximately 32.1 acres bounded by Torresdale Avenue, Megargee Street and Cottage Street. The property is accessible from Route 95 North via the Academy Road exit.

The former Liddonfield Homes site development was comprised of two phases. Liddonfield Homes I was originally developed by the Philadelphia Housing Authority ("PHA") as public housing in 1955. Liddonfield Homes II was developed in 1968 as senior public housing. The Site previously contained a total of 464 units, consisting of 412 row house units housed in 52 2-story concrete slab frame structures and 52 flats housed in 62-story block and wood frame structures. In addition the site contained community, management and maintenance facilities.

The former Liddonfield Homes were completely demolished in 2010.

Part II: Overview

As a result of the award of this RPF, PHA is seeking to redevelop the Site for senior housing and market rate housing which could include commercial development.

On an approximately 12 acre portion of the Site, PHA is seeking a development partner to develop 300 units of affordable senior housing (described in more detail as “West Site Development”).

On the other portion of the Site, which consists of approximately 20 acres, PHA is seeking a developer to either ground lease or sell the property for development of market rate residential units and/or commercial (described in more detail as “East Site Development”).

PHA will also accept proposals from developers who can develop both parcels.

The development of the Site may involve subdivision of the site into two parcels based on the scenarios set forth below, with the subsequent conveyance of both parcels to the developer(s). Subdivision would be the responsibility of the developer(s).

The Site is available for ground lease and /or conveyance pursuant to the scenarios outlined below. A deed restriction or other protective covenant terms will require the developer to improve the Site in accordance with an approved development plan and schedule.

On the basis of the proposals submitted in response to this Request for Proposals (“RFP”), PHA expects to designate a developer(s) that will build high quality senior affordable housing, market-rate residential units and other approved uses.

A. West Site Development (Project-Based Voucher Senior Affordable Housing)

For the West Site Development, PHA is seeking an experienced, affordable senior housing development partner (“**Development Partner**”) who will collaboratively work with PHA to redevelop part of the Site into a thriving affordable senior community which will integrate into their surrounding neighborhoods, exhibit exemplary design, incorporate green building techniques, pedestrian friendly planning and ample green space.

As such, PHA is soliciting Proposals from experienced developers with a documented track record of implementing a comprehensive revitalization plan that is neighborhood focused

and forged out of cooperation with all stakeholders.

The selected Development Partner will be responsible for design, planning, and financing, predevelopment and final development activities in coordination with PHA.

1.Site Description: The site would be subdivided into East and West parcels as defined below with separate transactions and/or developers for each parcel.

West Parcel is bounded by the 8800 block of Cottage Street to the East (approximately 1000 ft.), the center of the drainage easement along the stricken 8800 block of Jackson Street to the West, the southern property line of the properties located on the 4400 block of Tolbut Street to the North and the 4400 block of Magargee Street to the South (approximately 350 ft.). The West Parcel is approximately 12.2 acres (the “**West Parcel**”).

This parcel is designated for residential senior development of 300 project-based units.

PHA agrees that it will provide up to 300 project-based vouchers for the development of this parcel and up to \$2 million in funding for construction of the project to the selected developer.

2.Roles and Responsibilities

a. Development Partner’s Role in the Development Partnership for senior affordable housing. The responsibilities of the selected Development Partner will include, but are not necessarily limited to, the following:

1. **Project Management.** Lead and perform all project management functions during all phases of development including, but not necessarily limited to: predevelopment planning and design, development, construction, stabilization and permanent loan closing. The Development Partner is responsible for ensuring that the project is designed, constructed and managed with the highest standards and is in compliance with all applicable federal, state and local laws and ordinances.
2. **Team Meetings.** The Development Partner will establish a regular schedule of team meetings in which PHA will participate. The Development Partner will submit monthly progress reports on the project status and schedule including, but not necessarily limited to design, finance, resident coordination, community outreach,

etc. The format of the report will be structured by the Development Partner for PHA approval after engagement.

3. Project Schedule, Implementation, and Phasing. Develop, maintain and manage a detailed and attainable schedule of events, predicated on financing deadlines, that includes predevelopment activities, financial closing, construction, stabilization and permanent loan closing, as applicable.
4. Engage and Manage Consultants and Contractors Necessary for Project Implementation. Procure consultants and/or contractors. PHA anticipates that, at minimum, these would include professionals to perform architectural, environmental, market analysis, relocation, geotechnical, civil, mechanical and electric engineering, legal, site work, demolition, construction and property management. Additionally, PHA expects that the procurement of the construction contractor will be through a competitive process.

While PHA expects the Development Partner to take the lead in procuring and managing these consultants, PHA requires that it approve the final selection of the architect/planner, contractor, and property manager.

The Development Partner must ensure that no consultant or subcontractor engaged to work on this project has been suspended or otherwise prohibited from professional practice by any federal, state or local agency.

5. Accounting. Maintain accounting records, subject to PHA review, and ensure project financing is available at the appropriate times and utilized in the requisite manner.
6. Predevelopment Activities. Plan, undertake and fund predevelopment activities including, but not necessarily limited to: surveys, market studies, environmental, capital needs assessments, and financial feasibility planning.
7. High Quality Site Planning and Project Design. Enhance the existing community with high quality planning and design that meets and preferably exceeds industry standards. Density, scale and public space design must be carefully considered. Universal design, indicating respect for people of all abilities, must be incorporated

into all public space planning including, but not necessarily limited to ramps, curbs, driveways, sidewalks, benches, shading, etc.

The architectural design should incorporate state-of-the-art energy conservation and green building techniques. PHA requires the development to be a LEED certifiable project, pending project feasibility. The residential designs should reflect the character of the other structures in the neighborhood and promote community cohesiveness. Materials and systems should be incorporated into the design with the approval of the future management agent facilities' department to ensure long term viability and ease of maintenance. A minimum of 20% of the units must meet or exceed current standards on accessibility for the physically, visually and auditorally impaired. A visitable design for all newly constructed units is encouraged as well.

All architectural plans must be designed to be consistent with federal, state and local requirements and guidelines. All required municipal approvals and permits must be obtained by the Development Partner on behalf of the partnership. It is incumbent upon the Development Partner and its team to thoroughly review all local ordinances and requirements, as they apply. Special attention should be provided to stormwater management approvals.

8. Construction. Solicit construction (and construction related i.e. demolition, site work, infrastructure) contracts through possible competitive solicitation and enter into a contract for construction. Engage contractor subject to PHA approval. Manage and oversee all construction. Ensure construction completion in a timely manner and within budget.
9. Financing. Develop an attainable and feasible financing plan. PHA encourages ingenuity and creativity in the formation of the plan and in the incorporation of potential resources. Prepare all applications for financing unless otherwise prepared or secured by PHA prior to engagement.

Obtain commitments from lenders and tax credit investors for financing the project. PHA will work collaboratively with the Development Partner to outline terms by which the equity investor and lender is selected. However, the Development Partner will be responsible for solicitation and final negotiations.

10. **Guarantees.** Provide all necessary financial guarantees and assurances to the lenders and tax credit investors as they may require including, but not necessarily limited to: completion guarantees, operating deficit guarantees, tax credit adjuster or recapture guarantees and performance guarantees. Demonstrate financial ability to honor those guarantees, if necessary.
11. **Ownership Entity.** The Development Partner, with input from PHA and its advisors, shall structure the ownership entity(ies) for all components of the project. This may include affiliates of and/or PHA as well.
12. **Resident and Community Involvement.** In collaboration with PHA, promote and maintain positive relations with residents, community members, neighborhood groups, municipal governments and authorities and the county, state and federal government entities as applicable.
13. **Property Management.** Determine a general property management structure, prepare a management plan for the property, and recommend a property manager, subject to approval by PHA.
14. **Supportive Service Coordination and Plan Development.** The Development Partner will be responsible for coordinating the provision of supportive services to families that are, at minimum, consistent with PHFA standards and Project Based Voucher regulations requiring supportive services for general occupancy properties that exceed the 25% building rule. Should Rental Assistance Demonstration (“RAD”) vouchers be involved, the Development Partner will meet the service provision requirements of the RAD rule as well. The Development Partner will be responsible for securing funding to maintain an on-going and long lasting supportive service program.
15. **US Department of Housing and Urban Development (“HUD”) Requirements and Documents.** The Development Partner will assist in preparing any HUD required documents including, but not necessarily limited to: Mixed Finance Proposals, Demolition/Disposition Approvals, Rental Term Sheets, and Evidentiary Documents etc. PHA will work with the Development Partner in this process and will take responsibility for finalizing and submitting any required documents. PHA will lead any process with respect to RAD financing.

16. MBE/WBE and Section 3 Business Enterprises. The Development Partner shall propose a draft strategy for meeting the MBE/WBE and Section 3 goals related to this procurement. PHA, together, with the Development Partner shall finalize this strategy. The Development Partner will be responsible for implementing this strategy including submitting quarterly status reports to PHA. PHA will be responsible for monitoring the plan and efforts.

3. PHA’s Role in the Development Partnership

- a. Development Partner. PHA intends to participate in the partnership as a development partner with respect to development and operating decisions related to the project. PHA will have various specific roles as ground lessor, lender, subsidy provider, and overseer of program compliance with respect to subsidized housing units. Each role is discussed briefly below.

So long as the selected Development Partner observes PHA’s interests and public obligations with respect to these roles, PHA intends to respect the creativity, expertise and business requirements of the selected Developer Partner. PHA expects the selected Developer Partner to keep it fully informed and to secure advance consent to all significant decisions and public positions.

Notably, PHA expects to approve the selection of the architect/planner, contractor, property manager, and bond issuer. PHA also expects to approve the development program including the development concept, site plan, design and unit/income mix.

- b. Other responsibilities of PHA in the transaction will include, but are not necessarily limited to, the following:
 - 1. Financial Modeling. While it will ultimately be the Development Partner’s role to finalize the financing structure, PHA anticipates that the development of senior project based units at Liddonfield will be combined in a 4% Low Income Housing Tax Credit (“LIHTC”), tax exempt bond scenario.
 - 2. Title Report. A title report for Liddonfield has been conducted. Included in Appendices B and D, respectively, is the abstract company’s Information Search summary, Legal Description, as well as the most recent Declaration of Trust for each

property.

3. Land Owner. PHA intends to be the owner of the land and will ground lease the land to an ownership entity which may include a to-be-formed affiliate of PHA. The lease will be structured to enable the Development Partner to receive LIHTCs in connection with the project. As landowner, PHA will monitor the sites to ensure the improvements are being designed, constructed and managed appropriately to preserve its long-term value. PHA and the Development Partner will jointly be involved in obtaining any agreements for reduced property taxes with the municipalities and any related cooperation agreements.
4. Provider of Project Based Voucher Assistance. PHA will make available project-based rental assistance for up to 100% of units at the senior site, subject to HUD approval and funding availability. Project-based voucher (“PBV”) units would receive operating subsidies under a Housing Assistance Payment (“HAP”) contract with PHA. The HAP contract will pay the difference between the Housing Choice Voucher Program (“HCVP”)/Section 8 payment standard (currently 110% of fair market rents), subject to a rent reasonableness test and HUD approval, and the amounts paid by tenants, which are limited to 30% of their household incomes. The HAP contract is expected to have a fifteen-year initial term with annual renewals subject to approval by PHA.
5. Provider of Construction Funds: PHA will provide up to \$2 million dollars for the construction of the affordable senior project based units. This funding will be provided in the form of either a grant or a deferred loan.
6. Asset Manager. PHA will only monitor and enforce the terms of its lease(s), HAP agreements and other agreements with the Development Partner and require that all housing units be managed in accordance with applicable local, state and federal requirements.
7. Monitor Compliance with MBE/WBE and Section 3 Business Enterprise Goals. PHA will monitor the final plans and efforts for reaching MBE/WBE and Section 3 goals. The Development Partner’s strategy must be coordinated and integrated with PHA.

B. East Site Development (Development of market rate residential housing)

For East Site Development, PHA is seeking an experienced market rate housing developer (the “**Market Rate Developer**”) who will redevelop part of the Site into a thriving affordable market community which will integrate into their surrounding neighborhoods, exhibit exemplary design, incorporate green building techniques, pedestrian friendly planning and ample green space.

As such, PHA is soliciting Proposals from experienced developers with a documented track record of implementing a comprehensive revitalization plan that is neighborhood focused and forged out of cooperation with all stakeholders.

The selected Market Rate Developer will be responsible for design, planning, and financing, predevelopment and final development activities.

1. **East Site Description:** Redevelopment of the East Parcel. The East parcel is bounded by the 8800 block of Torresdale Avenue to the East (approximately 1000 ft.), the center of the drainage easement along the stricken 8800 block of Jackson Street to the East, the southern property line of the properties located on the 4500-4700 blocks of Tolbut Street to the North and the 4500-4700 blocks of Magargee Street on the South (approximately 1000 ft.). The East Parcel is approximately 20 acres (the “East Parcel”). This parcel is designated for market rate residential and or commercial development and may be (i) either ground leased or (i) sold to the developer.
2. **Roles and Responsibilities**
 - a. The responsibilities of the selected Market Rate Developer will include, but are not necessarily limited to, the following:
 1. **Project Management.** Lead and perform all project management functions during all phases of development including, but not necessarily limited to: predevelopment planning and design, development, construction, stabilization and permanent loan closing. The Market Rate Developer will be responsible for ensuring that the project is designed, constructed and managed with the highest standards and is in compliance with all applicable federal, state and local laws and ordinances.
 2. **Project Schedule, Implementation, and Phasing.** The Market Rate Developer will be responsible for the project schedule and will submit quarterly progress reports on the project status and schedule including, but not necessarily limited to design, finance,

community outreach, etc. The format of the report will be structured by the Market Rate Developer for PHA approval after engagement. The Market Rate Developer will maintain and manage a detailed and attainable schedule of events, predicated on financing deadlines, that includes predevelopment activities, financial closing, construction, stabilization and permanent loan closing, as applicable.

3. Engage and Manage Consultants and Contractors Necessary for Project Implementation. It is the sole responsibility of the Market Rate Developer to select its development team. PHA anticipates that, at minimum, these would include professionals to perform architectural, environmental, market analysis, relocation, geo-technical, civil, mechanical and electric engineering, legal, site work, demolition, construction and property management.
4. Predevelopment Activities. Plan, undertake and fund predevelopment activities including, but not necessarily limited to: surveys, market studies, environmental, capital needs assessments, and financial feasibility planning.
5. High Quality Site Planning and Project Design. Enhance the existing community with high quality planning and design that meets and preferably exceeds industry standards. Density, scale and public space design must be carefully considered. Universal design, indicating respect for people of all abilities, must be incorporated into all public space planning including, but not necessarily limited to ramps, curbs, driveways, sidewalks, benches, shading, etc.

The architectural design should incorporate state-of-the-art energy conservation and green building techniques. PHA desires the development to be a LEED certifiable project, pending project feasibility. The residential designs should reflect the character of the other structures in the neighborhood and promote community cohesiveness. Materials and systems should be incorporated into the design with the approval of the future management agent facilities' department to ensure long term viability and ease of maintenance.

All architectural plans must be designed consistent with federal, state and local requirements and guidelines. All required municipal approvals and permits must be obtained by the Market Rate Developer. It is incumbent upon the Market Rate Developer and its team to thoroughly review all local ordinances and requirements,

as they apply. Special attention should be provided to stormwater management approvals

6. Construction. Engage contractor subject to PHA approval. Manage and oversee all construction. Ensure construction completion in a timely manner and within budget.
7. Financing. Develop an attainable and feasible financing plan. PHA encourages ingenuity and creativity in the formation of the plan and in the incorporation of potential resources. Prepare all applications for financing.
8. Obtain commitments from lenders and tax credit investors for financing the project. .
9. Guarantees. Provide all necessary financial guarantees and assurances to the lenders and tax credit investors as they may require including, but not necessarily limited to: completion guarantees, operating deficit guarantees, tax credit adjuster or recapture guarantees and performance guarantees. Demonstrate financial ability to honor those guarantees, if necessary.
10. Ownership Entity. The Market Rate Developer, shall structure the ownership entity(ies) for all components of the project.
11. Property Management. Determine a general property management structure, prepare a management plan for the property, and recommend a property manager, subject to approval by PHA.

b. PHA's Role in the Market Rate Development.

1. Market Rate Developer. PHA intends to have very limited engagement with respect to development and operating decisions related to the market rate project. PHA will only have a role as ground lessor (if the land is not sold) and compliance with respect to the development of the units. Each role is discussed briefly below.

So long as the selected Market Rate Developer observes PHA's interests and public obligations with respect to these roles, PHA intends to respect the creativity, expertise and business requirements of the selected Market Rate Developer. PHA expects the selected Market Rate Developer to keep it fully informed and to secure

advance consent to all significant decisions and public positions.

Notably, PHA expects to approve the selection of the architect/planner, contractor, property manager, and bond issuer. PHA also expects to approve the development program including the development concept, site plan, design and unit/income mix.

2. Land Owner. If the Market Rate Developer desires to have a ground lease, PHA will be the owner of the land and will ground lease the land to an ownership entity. The lease will be structured to enable the Market Rate Developer to ensure the improvements are being designed, constructed and managed appropriately.
3. Monitor Compliance: Regardless of the land ownership structure, PHA will monitor the final plans and efforts to ensure that the improvements are designed, constructed and managed appropriately.

C. Conveyance Scenarios

Proposals for the ground lease and/or conveyance of the Site should be based upon one or more of the scenarios outlined above.

Respondents may include a proposal for any or all of the scenarios.

Respondents should complete the Business Terms Sheet attached hereto as “Exhibit C” wherein they should include the proposed price to be paid by the respondent under each scenario. Such price must be payable in cash, United States currency and expressed as an absolute dollar figure. In addition, all contingencies relating to the purchase of the Site must be clearly identified.

Part V: Submission Requirements

A. Project Description

Each proposal must include a narrative describing fundamental aspects of the project, including but not limited to, the planning approach to the project, the site plan and its components, zoning analysis, building footprints, and any other significant features of the proposal.

B. Development Team Description

As per evaluation criteria stated on Page EE-2-1, emphasis shall be placed on developers or development teams that demonstrate sufficient financial resources to construct and complete the project and sufficient experience to successfully manage and/or market the project. Each proposal must include, to the extent possible, a detailed description of the development team, including:

1. Name, address and telephone number of all members of the prospective development team (to the extent such members have been selected at this preliminary stage) including developer, architect, engineers, general contractors, construction manager, attorney, and any other person(s) or entities intended to operate or manage the proposed development.
2. Background information on all members of the development team, including the relevant experience of all principal members of the development team. Background information should reference specific experience in planning, building, financing, marketing and operating developments comparable to that which is proposed. This information must be submitted for every participating entity in a joint venture. The form and structure of any proposed partnership or joint venture must be clearly defined.
3. Written credit references from senior bank officers for each development entity/participant.
4. Three business references for each entity/participant. At least one business reference must be from a lender that respondent assumes would be involved in the project.
5. Financials. Provide three years of the most recent and concurrent, financial statements from each member of the Development Partner's team who will be providing any guarantees in connection with the development and operation of the project. The financial statements must include the most current year for which audited or CPA prepared financial statements are available. The statements must include an income statement as well as a balance sheet showing assets, liabilities and net worth of the entity. The statements may be submitted in a sealed envelope and the PHA will treat them as confidential.
6. A description of any previous participation in developments with PHA, the City of Philadelphia, or other municipalities or public sector entities.
7. Any additional documentation or information evidencing the strength of the

development team and its ability to complete the proposed project.

D. Financial Plan and Budget

Each proposal must include financial projections for the development including the following:

1. Sources and uses of funds.
2. Operating pro forma.
3. A general description of the proposed financing to implement the development plan.

E. Development Schedule

Each proposal must provide a detailed schedule for the completion of the proposed development. It should include key activities and their completion dates. If applicable, specify the schedule for completion of PHA Component.

F. Architectural Documentation

Proposals should include two copies of conceptual drawings, at 1"=100" scale on 24"x36" paper, that show all the components of the development proposed to be constructed on the site. The site plan must indicate: all building pavements, curbs, sidewalks, building access points, driveways, parking areas, and landscaping.

G. Zoning Analysis

All proposals are required to submit a zoning analysis showing all calculations and identifying all anticipated permits and authorizations that will be needed.

H. MBE/WBE and Section 3

PHA is dedicated to furthering the growth of minority-owned business enterprises - (MBEs), women owned business enterprises (WBEs) and local businesses. Proposals from minority-owned and women-owned business enterprises, as well as joint ventures or similarly structured business entities including MBEs or WBEs, are highly encouraged as per evaluation criteria stated on Page EE-2-1. All respondents are urged to include in their proposals a recitation of methods for facilitating the participation of MBEs and WBEs in the development as members of the development, financing, design or construction teams. In addition, all respondents should indicate construction and permanent

employment opportunities for PHA residents. At a minimum, the selected developer shall be required to comply with Section 3 of the Housing and Urban Development Act of 1968 to ensure employment and other economic opportunities are directed to low and very low income persons.

Part VI. Proposal Review and Evaluation Process

A. Submission and Review

Respondents must submit a development proposal in accordance with the instructions contained in this RFP. PHA will evaluate each submission, in accordance with the criteria established on page EE-2-1 of this solicitation package. If necessary, inquiries may be made by PHA regarding the submitted proposal materials, the respondent and other participants named in the materials.

Submission by the respondent shall constitute permission by the respondent for PHA to make such inquiries as it deems necessary.

Proposals that are not complete may, in PHA's sole discretion, be eliminated from consideration. This RFP may be reissued, amended, or withdrawn if PHA deems it to be in the best interest of PHA to do so or if, in the judgment of PHA, all submissions are unacceptable.

B. Notification Process

PHA expects to execute a Letter(s) of Intent (“LOI”) with the selected respondent(s) outlining obligations for a lease and/or contract of sale for the purchase and development of the Site within 180 days after the submission of proposals in response to this RFP. The 180-day period may be extended. PHA will not terminate negotiations with other respondents until a contract of sale is executed and reserves the right to terminate negotiations on any proposal and to conduct negotiations on an alternative proposal.

Upon the signing of an LOI the developer will be obligated to pay a non-refundable security deposit to PHA. Thereafter, the designated developer will be granted an exclusive right to negotiate with PHA with respect to a contract for sale and/or lease, for 6 (six) months from the date of execution of a LOI, which period may be extended at the sole discretion of PHA. Upon the execution of a contract for sale, the security deposit will be applied to

the sale price in a manner acceptable to PHA. The LOI will set forth a time period by which a sale must take place or else the LOI will be terminated.

Failure to obtain project financing for any reason shall not excuse a designee from its obligations under the LOI or contract of sale. In the event that a designee fails to obtain a bona fide construction loan (or comparable financing) within the allotted time period, PHA in its sole discretion may terminate the designation and the LOI or contract of sale and may draw upon and retain the undrawn portion of any security deposit as liquidated damages.

C. Environmental and Land Use Review

The developer shall be responsible for any required environmental, zoning and other land use approvals and permits.

D. Site Disposition and Approval Process

PHA will secure all HUD approvals necessary to convey the Site. All other public approvals will be the responsibility of the developer. Developer will be required to cooperate with PHA in order to establish compliance with HUD requirements and, at its sole cost and expense, to provide such documentation as is necessary to obtain HUD approvals.

Part VII: Conditions, Terms and Limitations

In addition to those stated elsewhere, this RFP is subject to the specific conditions, terms and limitations stated below:

1. The information set forth in this RFP concerning the Site and its condition, development tasks and procedures, legal requirements, and other matters is believed to be accurate but is not warranted. PHA assumes no responsibility for errors and omissions, makes no representation whatsoever as to the physical condition of the Site, status of title thereto, its suitability for any specific use, or the required approval necessary for the redevelopment of the site, the absence of hazardous waste and other toxic materials, or any other matter. All measurements are approximate. Respondents are urged to satisfy themselves with respect to

the physical condition of, and all arrangements affecting the Site. Respondents are advised to verify independently the accuracy of all information contained herein and otherwise proved to the respondent and to make their own judgments of the risks involved in developing the Site as contemplated in this RFP.

2. PHA makes no representations as to the accuracy of any statement made herein regarding any environmental condition on the Site and any information provided with regard to the environmental condition of the Site is not to be relied upon and should be independently verified.
3. PHA is not obligated to pay and shall not pay any costs in assisting the selected respondent or the project, or incurred by any Developer at any time unless PHA has expressly agreed to do so in writing.
4. This is a Request for Proposals not a Request for Bids. PHA shall be the sole judge of each response's conformance with the requirements of the RFP and of the merits of the individual proposals. PHA reserves the right to waive any conditions or modify any provision of the RFP, to negotiate with one or more of the applicants, to establish additional terms and conditions, to encourage applicants to work together, or to reject any or all responses, if in its judgment it is in the best interest of PHA to do so. PHA reserves the right to negotiate any and all terms of the proposals. Prior to execution of a LOI or contract of sale and after an execution of a LOI, or contract of sale if such LOI or contract of sale is terminated, PHA reserves the right to negotiate a LOI or sale with other respondents.
5. The developer shall pay all applicable taxes and settlement costs payable with respect to the conveyance of the Site and the development and operation of the developer's component of the project.
6. If all the proposals are rejected, the RFP may be withdrawn and the Site may be retained, re-offered under the same or different terms and conditions in an amended or new RFP, or disposed of by any other method. PHA reserves the right to accept proposals for the development of less than the entire Site. In all cases, PHA shall be the sole judge of the acceptability of the proposals.

Other than the approval for disposition, PHA does not represent or warrant that all requisite discretionary federal, state, and city public approvals for the

project will be obtained from the appropriate authorities and PHA will not be held liable for any damages associated with the failure to obtain such approvals.

8. It is PHA's intent that this RFP promotes competition. It shall be the proposer's responsibility to advise PHA, in writing, if any language, requirement, specification, etc., or any combination therefore, inadvertently restricts or limits the requirements stated in the RFP to a single source.

RATING FACTORS TO BE USED IN
PROPOSER EVALUATION

All proposals received by the specified date shall be subject to evaluation by a review committee. Although the following criteria will be used in making the selection, no single one of the criteria will be the determining factor in the selection of proposers with whom PHA may commence negotiation of agreement or in the final selection of a Development Partner or Market Rate Developer. The final selection will be made on the basis of which proposal best responds to all of the needs of PHA. Highest rated proposer(s) may be invited to make a presentation to PHA review committee. Best and Final Offers may be requested of any offeror in the competitive range.

In evaluating the submitted proposals, PHA will consider the following criteria for each option:

No.	Criteria and Description	Ranking Points
1	<p>Development Partner/Team Experience and Capacity. This score addresses the capacity and caliber of the Development Partner, its team and the primary staff assigned to this project.</p>	30
2	<p>Technical Response. This score rewards thoughtful, creative and innovative visions in which the Respondent demonstrates the understanding of the critical issues and challenges of this development opportunity and proposes resolutions.</p>	25
3	<p>Business Terms. This score rewards the degree to which the Development Partner's proposed ownership and fee structures provides benefit to the PHA, its return on investment and the long term viability of the development and community.</p>	25
4	<p>MBE/WBE and Section 3 Strategy. This score rewards the Development Partner's level and quality of previous experience in fulfilling MBE/WBE/Section 3 goals. It also rewards the strength, commitment and attainability of the Development Partner's strategy for accomplishing PHA's MBE/WBE and Section 3 Goals for this project.</p>	20

EE-2-1 RFP (10/99)

Exhibit A

Site Description

A. Site Description

This well-located, approximately 32.2-acre parcel is bounded by Torresdale Avenue, Megargee Street and Cottage Street, and is accessible from Route 95 North via the Academy Road exit.

B. Transportation

The Site is located approximately 30 minutes from downtown Philadelphia. The Site is very accessible to Center City given its close proximity to I-95 and various public transportation bus routes and the SEPTA R-7 line.

C. Area Description

The Site is located in the Torresdale section of Philadelphia, which is by in large a residential section of the City. A large shopping area is located on Frankford Avenue to the west of the Site and a mixed-use warehouse district lies to the east. Rowhouse communities border the site on the north and south. Many playgrounds and the Fairmount Park Pennypack Creek recreation area are also nearby.

D. Zoning

The Site is currently zoned R-11A Low Density Multifamily Residential.

Exhibit B

Phase I Environmental Assessment

Attached hereto.

Environmental Conditions Background:

As of April 15, 2011 all buildings have been demolished including foundation removal, underground utilities removal and utility services capped at the property line.

PHA abated and removed all known asbestos and removed underground storage tanks.

However, PHA does not warrant that there may not be any underground obstructions or environmental issues encountered.

Exhibit C

Business Term Sheet

The Proposer must present the financial and business terms (i.e. percentage of developer fee, lease payments, purchase price and/or cash flow distributions) that the Respondent proposes as a basis for negotiation with PHA.

At a minimum, the Proposer must propose either an annualized payment or a lump sum payment to PHA for each of the scenarios on which it is submitting a proposal.