

Osage-Pine RFP – Q&A

Question (Received: November 17, 2016):

Is the Redevelopment Authority looking for a proposal that would lead to 100% homeownership for these units or would you consider a plan that involved leasing all or some of these units?

Answer:

The PRA is seeking proposals for 100% homeownership based on community input. Proposals with rental units will not be considered.

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Questions (Received: November 18, 2016):

- 1. I know the goal is to sell all 36 properties but would holding some of these properties over as rentals be considered in any circumstance?*
- 2. Has a structural engineer provided a report on the condition of the properties? If so, how recent?*

Answers:

- 1. The PRA is seeking proposals for 100% homeownership based on community input. Proposals with rental units will not be considered.**
- 2. The December 1997, US Army Corps of Engineers Philadelphia District, “Osage Avenue/Pine Street Inspections, Final Report of Findings and Recommendations,” is the last structural report prepared for the properties to date. This report was posted on the PRA website on November 29, 2016.**

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Question (Received: November 29, 2016):

When can we anticipate the q's and a's and the attendance list to be issued on line as amendment # 2? Can the list proceed the q's and a's?

Answer:

The list of attendees from the site visit was posted on the PRA website on November 29, 2016.

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Questions (Received: December 9, 2016):

1. *Attachment J, which is the Army Corps study done in 1997, lists a broad range of items which required repair. As noted in the RFP on page 3, “The Authority entered into a contract for these repairs in 1999.” Can the PRA please indicate what repairs were executed from this contract. For example, visual observation of the rear wall of the north side of Osage reveals that brick work which was recommended by the Army Corps seems to have been executed. What other work was executed after the Army Corps study?*
2. *Under Section 4 Proposal Requirements, Paragraph B – Financial Summary, there is an indication of disqualification should there not be clear evidence of available funds in the projected total amount of the development. This begs sub-questions:*
 - a) *Assuming repair of existing, and without full knowledge of all the required repairs, there is no way to actually know what the development cost might be. Thus, proposers may have to assume the worst case, which may be hand demolition and replacement with new. Such an assumption would drive the cost significantly higher than prevailing sale prices in the area. Thus, a responsible developer would likely be seeking some form of tax subsidy or public assistance funding. This kind of public subsidy could really only be obtained in a much longer term study by a winning proposer. Therefore, will the PRA entertain changing / clarifying the requirement for committed funding?*
 - b) *In consideration of the extreme costs potentially involved on this project and regarding the “bid amount” portion of the proposal – i.e., the purchase price of the properties from PRA – will PRA consider proposals of zero dollars?*
 - c) *Is it ok to simply demonstrate financial wherewithal and development capacity without proof of committed funds?*
3. *Under Section 4 Proposal Requirements, Paragraph C – Development Plans and in Attachment C’s Property Application Form, there is a requirement for scaled floor plans and elevations. Please consider removing this requirement as it is impossible to know until after award of contract whether the existing buildings are going to be renovated or replaced. Furthermore, if the buildings are to be renovated, floor plans have not been made available.*
4. *Under the Economic Opportunity and Inclusion Narrative and also the EOP in Attachment C, there is no specific mention of subcontractor percentage goals. Is it up to the development team to propose these goals?*
5. *In Attachment C’s EOP, there are specific percentages listed for Employment goals of 50% minority apprentices, 32% minority journeymen, 7% female apprentices, and 7% female journeypersons. Are these percentage employment goals accurate for this project?*
6. *Under the Fine Arts Requirements in Attachment H, there is an exemption for construction of residential housing involving public subsidies. Should the winning development team be*

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using public subsidies of any form, can you please confirm that the exemption would be honored should the developer indicate a wish to not adhere to this requirement?

Answers:

- 1. PRA does not have a record of the specific repairs made to the properties as part of the 1999 contract. PRA held the pre-submission site visit on November 28, 2016 in order to provide interested respondents access to the properties so they can assess existing conditions.**

- 2. a) The PRA is requiring potential applicants show evidence of the financial wherewithal and development capacity carry out the proposed redevelopment of the properties, including letters of interest from financial institutions, equal to or exceeding the total development cost shown on the submitted development budget. Formal commitments for financing are not required with submissions.**

b) Applicants are welcome to bid an amount that will take into consideration the cost to both purchase and redevelop the properties with the minimum bid being \$1.00. The bid price is one of the factors in scoring proposals.

c) Respondents must submit evidence of their ability to finance the total project cost; however, formal financing commitments are not required.

- 3. In this case, as floor plans are not available, the PRA is agreeable to relaxing our requirements in regards to the submission of scaled floor plans and elevations. Although the requirement will not be as stringent, all applicants will need to submit a detailed description of the scope of work to be performed. Applicants submitting proposals for new construction or a substantial reconfiguration of the units should also remit sketch drawings of the proposed floor plans.**

- 4. It will be the responsibility of the selected applicant to ensure that the General Contractor chosen for the project confirm and submit the proper documentation the sub-contractors for the project.**

- 5. Yes, those are the City of Philadelphia percentages for all projects. For further information on the City of Philadelphia requirements, please visit the Office of Economic Opportunity at mbec.phila.gov/home.**

- 6. The PRA can confirm that if there are public subsidies used in the project then the exemption will apply.**

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Question (Received: December 9, 2016):

Please consider delaying the due date of the RFP response to March 1, 2017.

Answer:

No the response deadline cannot be delayed as there is a high priority to move this project quickly and the PRA feels that adequate time has been provided for submissions.