

Northside Neighborhood Initiative Homeownership

REQUEST FOR QUAILFIED HOMEBUILDERS Due March 1st, 2018, 3pm

I. BACKGROUND

The Northside Initiative is focused on a safe, strong and thriving Northside for generations to come. As part of this vision defined through a community wide master planning effort completed in 2014, the Northside Development Group (NDG) seeks to support the creation, rehabilitation and preservation of a diverse housing stock in the Northside neighborhood. As part of the Northside's Housing strategy NDG seeks to implement a housing plan that will create a community where all residents regardless of income are successful in their housing choice. Together with diverse partners, the Northside Development Group seeks to build a community that attracts new residents, while supporting current residents, business owners, and major institution's residents and neighbors. As part of this effort, NDG will work to ensure that a mix of affordable and market rate rental and homeownership opportunities exist in the community to support families and individuals of all incomes.

II. INTRODUCTION

In an effort to create mixed income, diverse housing for all income and household types, the Northside Development Group (NDG) and its partners through the transformation planning effort have established a holistic housing strategy to include supporting the creation of mixed income rental housing on Brawley Street, to provide support to existing residents through an owner-occupied rehabilitation program, to the recent announcement to build 90 units of mixed income multifamily rental housing at the corner of Howard and College.

As part of this strategy NDG recognizes there is an ever-increasing need for affordable and market rate homeownership opportunities in the Northside. Through partnerships with Habitat for Humanity five new homes have been built in the Northside, yet these homes serve a limited population. In addition, there has been very little private or other non-profit homeownership built in the Northside although there is an increasing demand for homeownership opportunities both from existing and new residents.

To catalyze homeownership opportunities as part of the Northside redevelopment, NDG is seeking proposals from qualified home builders/developers, nonprofit or for profit to build up to 10 new homes on lots owned by the Northside Development Group and/or City-owned vacant lots. NDG is seeking partnership opportunities to co-develop and/or support the development of new scattered site homeownership in the neighborhood. In addition to properties owned by NDG, the City of Spartanburg is also interested in developing similar opportunities in the Northside as part of this Initiative.

III. STATEMENT OF PURPOSE

The Northside Development Group seeks qualified homebuilders/developers to submit proposals for the development of up to 10 NDG and/or City-owned vacant lots for the construction of attractive, sustainable, energy star certified single family homes that will be made available for homeownership

opportunities. Homes must meet the Northside Transformation Design Standards and all City codes and zoning requirements and are subject to review and approval by NDG's Housing Committee and the Northside Voyagers.

The subject properties are in the Northside Neighborhood's transformation plan target area. The properties have been assembled by NDG which is acting as the master developer for the Northside Initiative.

Proposals for these lots will be evaluated based on the Evaluation Criteria below to select proposal(s) which best meet NDG's goals as outlined in the Northside's Transformation Plan, including providing affordable/market housing opportunities.

All of the ultimate beneficiaries of any potential housing development must include both market rate and affordable households. NDG will work with selected developer/builders to define the best mix of housing based on the market and funding sources available to support conventional and subordinate financing.

NDG intends to negotiate the sell/conveyance of lots "as is" to one or more homebuilder(s)/ developer (s) that submit(s) the proposal which best meets NDG goals; however, NDG reserves the right to reject any and all proposals received as a result of this Request for Proposal, or to negotiate issues so as to best serve the interest of the Northside Initiative. Proposals will also be evaluated by representatives from NDG, the City, and the Northside Voyagers (See the required proposal information section below for proposal submittal details). Builders can submit proposals for one or more lots in the assemblage.

The developer bears the sole responsibility for obtaining all permits, use and zoning approvals.

IV. SITE LOCATION

Address	Parcel #	Size	Zoning	Estimated Value
775 Leonard St	7-11-04-109.00	<1 Acre	DT-3 Sub-Urban	\$15,000.00
779 Leonard St	7-11-04-110.00	<1 Acre	DT-3 Sub-Urban	\$12,000.00
752 Leonard St	7-11-04-128.00	<1 Acre	DT-3 Sub-Urban	\$12,000.00
227 Shorthill St	7-11-04-086.00	<1 Acre	DT-3 Sub-Urban	\$7,500.00
787 N Vernon Ave	7-12-01-003.00	<1 Acre	DT-3 Sub-Urban	\$7,500.00
320 Arch St	7-12-05-004.00	<1 Acre	DT-3 Sub-Urban	\$10,000.00
330 Arch St	7-12-05-005.00	.26 Acre	DT-3 Sub-Urban	\$10,000.00
586 Brawley St	7-12-05-057.00	<1 Acre	DT-3 Sub-Urban	\$6,500.00
578 Brawley St	7-12-05-058.00	<1 Acre	DT-3 Sub-Urban	\$6,500.00
595 Vernon St	7-12-01-133.01	<1 Acre	DT-4 General Urban	\$6,000.00

V. DEVELOPMENT CONSIDERATIONS

All lots are cleared and improved with access to paved public streets as well as access to city water and sewer.

The new construction must, at a minimum, meet the City of Spartanburg's New Construction Specifications and the Northside Initiative's Transformation Plan design guideline in Chapter 6 as outlined in the attached Appendix

Homebuilders/developers are expected to have examined the subject properties to understand existing visible site conditions and to factor all development needs into their proposal. NDG will require that all builders address all site needs such as: additional grading, any necessary clearing including tree and stump removal, plantings to stabilize any slopes, replacing extra curb cuts with curb and gutter, and repairing or replacing any adjacent curbs and/or sidewalks to ensure a high-quality development.

Property will be sold "AS IS."

VI. DEVELOPER RESPONSIBILITIES

NDG will negotiate and work with successful bidders to secure the necessary financing to develop a successful project. It is preferred that successful bidders will have the capacity and access to secure financing if necessary. The successful builder(s) will be responsible for completing all necessary site planning and constructing the development. NDG will work with successful builder(s) on marketing and selling all housing units to qualified households. Construction must start on any proposed development within three (3) months of the contract date. If the construction has not commenced within three (3) months from the property transfer date, NDG may, at its option, repossess the lot and revoke the builder's option to purchase similar lots for future development. Construction and sales of homes proposed in this RFP should be complete within 18 months of the contract date.

The development of this property should be consistent with all existing zoning and building code requirements including all tree protection and storm water regulations. All construction should be sheathed in oriented strand board (OSB) and wrapped with a synthetic, weather-resistant housewrap (such as Tyvek or a similar material). Exterior elevations and material selections should be compatible with the architectural style of the existing neighborhood and compatible with the designs outlined in the Transformation Plan. **Vinyl siding is not preferred.**

The design and quality of construction of the housing is very important. All building designs and site layout, driveway placement and landscape plans must be approved by NDG, Northside Voyagers and the City of Spartanburg's Neighborhood Housing Services before any land is sold or conveyed.

The builder(s) must warranty their labor, workmanship, materials, and appliances and must provide the home buyers with all manufacturer warranties on all items in which there is a manufacturer warranty (ex. appliances, HVAC, water heater, roof, siding, etc.). All the building components and systems must be warrantied for 1 year and the roof for 3 years. Builder(s) must provide a 2/10 Warranty to the Buyer at the time of closing.

NDG reserves the right to require the homebuilder(s) to furnish bonds covering faithful performance and payment of obligations for the development. Builder must obtain a City license prior to contract execution if selected.

VII. NDG RESPONSIBILITIES

NDG will sell and/or convey the land to support the project. The **estimated value** for each lot is as shown above on page 2.

NDG will negotiate sale and/or conveyance of land at no less than estimated value based on successful proposals. Eligible properties must be located in Northside's Transformation Plan redevelopment area (which these properties are).

NDG has a goal to produce a development that fits architecturally into the existing community in which it is developed while providing homeownership opportunities for homebuyers of mixed income. All housing will be built to market rate standards. NDG will evaluate the feasibility of proposals that also serve the low and moderate income community (potential homebuyers earning less than 80% of area median income). Proposals will be evaluated based upon the total proposed construction budget, sales price, and profit to the builder. To this end, NDG will work with successful bidders to identify funding sources to support a mix of housing.

To ensure that homes are affordable to buyers of mixed levels of income, various forms of assistance will be available. NDG will work with various public and private partners to seek down payment assistance, subordinate financing and other favorable mortgage products that may further assist qualified homeowners.

All programs are subject to change based on programmatic changes as well as availability of funding for each program. At the time marketing and construction begin, selected homebuilders and their marketing teams should coordinate with NDG and City staff to ensure that current programmatic offerings and guidelines are presented to potential homebuyers.

VIII. REQUIRED PROPOSAL INFORMATION

Those firms interested in providing these services for this project must submit one (1) unbound original and one (1) digital flash drive copy of all materials required in this RFP. The detailed requirements set forth in the Proposal Format are recommended. Failure by any proposer to respond to a specific requirement may result in disqualification. NDG reserves the right to accept or reject any or all proposals. Proposers are reminded that proposals will be considered as submitted. Points of clarification will be solicited from proposers at the discretion of NDG. Those proposals determined not to be in compliance with the provisions of this RFP and the applicable laws and/or regulations will not be processed. Both for profit and nonprofit developers/builders are welcome to submit.

- 1. <u>Transmittal Letter</u> A transmittal letter must be submitted with the proposal which shall include:
 - a. A cover letter indicating of interest and qualification to accomplish RFP goals;
 - b. Name of firm responding, including mailing address, e-mail address, telephone number and name of contact person;
 - c. Name of the person or persons authorized to make representations on behalf of the consultant, binding the firm to a contract.
- 2. <u>Project Summary</u> A written narrative of the proposed development. This narrative should describe in sufficient detail the overall scope of the project. The summary should include the following:
 - a. Suggested method of land sale/conveyance (NDG willing to negotiate for success of program);
 - b. Timeframe for property closing, along with the name(s) of attorneys and title insurance company to be used:
 - c. Identification of all anticipated public and/or private partnership arrangements;
 - d. NDG will work with successful bidder to protect the long-term affordability of the project; bidders should make recommendations as part of their proposal
 - e. The expected role of NDG in the project;
 - f. Consistency with the Northside Transformation Neighborhood Plan
- 3. <u>Qualifications</u> A description of your organization's construction or administrative experience in homebuilding. This description should include:
 - a. Number of homes constructed or rehabbed in the past three years;
 - b. Number of homes sold or leased in the last three years;
 - c. Price of homes sold:
 - d. Addresses of homes built in the last three years.
 - e. Information regarding previous experience with the City of Spartanburg and/or NDG in other projects;

- f. Information regarding members of the development team and their qualifications
- g. Provide copies of General Contractor's License, Liability and Workers Compensation (Developers provide information from proposed builder(s)).
- 4. <u>Financial Responsibility</u> A description of your organization's financial capability. This description should include:
 - a. The two (2) most recent audited financial statements or a certified statement of Revenues and Expenses. (If there are none available for the organization, a Partner/Member statement for each partner should be provided.)
 - b. For non-profit organizations, proof of approval of financial statements by the organization's board of directors is also required.
 - c. Demonstrate financial capability by providing commitment letters for construction financing from financial institutions. NDG will work with successful builders on final financing structure.
 - d. List other homebuilding commitments for 2017/2018
- 5. <u>Timetable</u> Provide a schedule for construction and other development activities per the following example utilizing this format.

Activity	Start	Completion
Pre-development		
Construction		
Marketing and Sales/Lease		

- 6. <u>Architectural Submissions</u> Submit a conceptual plan for each proposed development parcel, drawn to scale. The plan must address the following:
 - a. Proposed structure with dimensions, horizontal, vertical and ground elevations;
 - b. Site bouderies:
 - c. Site dimensions;
 - d. Proposed setbacks, side yards, back yards and parking areas with dimensions; and,
 - e. Materials to be used for parking or other impervious surfaces

Include any additional information regarding design and other amenities relating to parcel improvements. Architectural submissions must be in conformance with all applicable zoning ordinances of the City of Spartanburg and with the appropriate Northside Neighborhood Master Plan.

- 7. MB/WBE and Local Employment- Describe your strategy for involving minority/women businesses and attracting local employment opportunities for residents.
- 8. Completed Forms The proposal format is to be completed, including the following Forms/Addendums:
 - a. Proposal Form
 - b. Addendum C Sources and Uses of Funds Statement.
 - c. Addendum D Organizational Documentation
 - d. Addendum E Letter of support from appropriate neighborhood association

Address all questions presented on these forms. If the answer is "None" or "Not Applicable", please indicate.

All Addendums must be completed and included in order for your proposal to comply with the submission requirements of this RFP.

IX. EVALUATION OF PROPOSALS

NDG will evaluate each proposal based on whether it meets the goals and objectives outlined in the Northside Transformation plan and the evaluation criteria outlined below. The winning proposals will be the one(s) which best address those purposes. A committee that includes NDG staff and partners, Northside Voyagers and City staff will conduct the evaluations. NDG Board of Directors will make the final selections.

X. EVALUATION CRITERIA

NDG will evaluate proposals based on the factors outlined below which shall be applied to all eligible, responsive proposals in selecting the successful Offeror. Proposals will be evaluated by a proposal review team. NDG reserves the right to disqualify any proposal for, but not limited to: person or persons it deems as non-responsive and not responsible; or whose experience does not describe the competencies required. NDG reserves the right to make such investigations of the qualifications of the Offeror as it deems appropriate.

Award of such a contract may be made without discussion with Offeror after responses are received. NDG reserves the right to cease contract negotiation if it determines that the firm cannot perform the services specified in their response. Proposal evaluation criteria will be grouped into point factors as follows:

		Maximum Points
A.	Architectural Design, Cost and Affordability – The level to which units will be developed for low- to moderate-income residents will be a key factor. Design factors will include Conformity with permitted uses; Relationship to surrounding buildings; Enhancement of the neighborhood; Amenities (open areas, landscaping, parking); and, Overall design quality, including the use of Energy Star Certified Design and Products.	25
	All submittals must include a description of the product with a cost breakdown of land acquisition, construction costs, profit and overhead as well as proposed sales prices for the proposed construction. The design of the development (structure and site) and the landscape, the impact of the new construction on the streetscape, and the impact of the development on the surrounding neighborhood, including architectural compatibility, will be evaluated. Preference will be given to the proposal that offers to produce the highest quality design with the most features at the lowest prices for the homebuyers. Please include a full description of proposed development (elevations and floor plans) to be built including building and driveway locations and proposed landscaping and streetscaping (site and landscape plans). This should include both building and site plans. Preference will be given to builders proposing acceptable building plans not previously used in other City sponsored developments. Building plans, elevations, and specification sheets, including finishes and potential upgrades, should be included.	
	Builders must submit four or more floor plans and elevations and approximate sales prices for the units they propose to build. Bidders should include a mix of home sizes and prices based on current market data. Building plans, elevations, and	

	specification sheets, including finishes and potential upgrades, should be included for each price point.	
В.	Community Engagement – The proposed project must be consistent with the Northside Neighborhood Master Plan. In addition, to be considered under this RFP the developer must have taken specific actions to notify and involve the neighborhood association as well as the Northside Voyagers in the development of this proposal. The RFP is to include a letter of support from the neighborhood association.	20
D.	Financial Capability – Financial capability will be evaluated in conjunction with other factors. Financial capability is of major significance in the evaluation of proposals. NDG will work with builder on final financing structure, but prospective developers are urged to recognize the importance of demonstrating financial capability.	20
	The builder teams' financial capability to accomplish this project will be evaluated through commitments from financial institutions to providing construction financing. Letters of interest from financial institutions will not be sufficient to demonstrate financial capability.	
	The builder must demonstrate financial capability to carry out the construction of the development within the contract period as noted above. Builders must provide a letter from a recognized lender evidencing the availability and amount of construction financing available should the builder be selected for the Northside development. Builders must indicate all other homebuilding commitments for 2017 and beyond (lot acquired or under contract).	
	Builders must disclose and explain the following: 1. Current financial default of more than sixty (60) days duration 2. Mortgage assignment or workout arrangement 3. Foreclosure, or deed in lieu of foreclosure within the past 7 years 4. Bankruptcy within the past 7 years 5. Litigation relating to financing or construction of a project, which is pending or which was adjusted with a finding of liability against the builder, including	
	mechanic's and material lien litigation 6. Real estate tax delinquencies (past 2 years) 7. Explanation for any projects not completed within budget	
	NDG reserves the right to require the builder to furnish bonds covering faithful performance and payment of obligations for the development of any of the assemblages.	
E.	Qualifications and References – The developer must have had experience with a project over the last five years substantially equal to or greater in size to the proposed development.	25

It is important to have experienced development teams to ensure the success of this project. The experience of the builder and other team members in the development of similar projects will be evaluated. The builder should identify key team members and provide a resume of those team members' experience highlighting experience on projects similar to the one proposed in this RFP.

The builder must be experienced in the type of construction being proposed; for example – the builder must have built a similar number of dwellings in the last thirty months as the development they are proposing, or otherwise demonstrate equivalent experience. Builders must provide a detailed description of previous projects that are similar to the development proposed in this RFP. The description should include photos, plans, prices, and the time on market for homes built in each previous development. The builder must demonstrate a proven track record of building and selling homes in comparable locations or in central city neighborhoods of other cities. Builders must include the total number of homes built and sold in the past 5 years and the sales prices for those homes.

Builder(s) must provide 3 professional references. Professional references should be lenders and/or other cities for which the builder has successfully completed a similar development to the one proposed in this RFP. The builder must have adequate liability and workers' compensation insurance and professional licensing for this project. Copies of General Contractor's License, Liability, and Workers' Compensation Insurance must be included with the proposals

- **F.** Readiness to Proceed The expeditious start and completion of the proposed development will be considered in the evaluation.
- G. Minority- and Women-Owned Business Enterprise Participation Particular consideration will be given to the proposal that best exemplifies compliance with NDG's Minority and Women-Owned Business goal. The level of involvement proposed for minority and women owned businesses including builder, designers, contractor, subcontractors, consultants, suppliers, lenders, and others will be evaluated. Minority participation in the project is an important factor for builder selection. NDG has a general goal of 15% minority and women owned business participation in the project. The development team should endeavor to make a good faith effort to achieve or exceed this goal and should include documentation with the proposal which addresses these criteria.

Local Hiring/Job Training Initiatives: As a part of the Northside Initiative NDG has a goal of providing economic development and job training opportunities. Specifically, the NDG aims to provide job training opportunities though the NCCER training program. Participants of the job training classes can receive 72 hours through a construction training program in which they learn the fundamentals of building trades.

NDG encourages selected builders working on infill housing program to fill vacancies by advertising and that the selected builders will hold a job fair in the local community. Builders should make an effort to hire graduates from NDG's training program or other qualified local residents to fill vacancies as they are completing the

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project. A proposed hiring plan along with efforts to fill vacancies with qualified local residents should be included with documentation for this RFP.	
Total Maximum Points	110

XI. NDG RESERVATION OF RIGHTS

Northside Development Group reserves and may exercise the following rights and options with respect to this selection process:

- a. to request that one or more of the developers provide additional material, clarification, confirmation or modification of any information in the submission;
- b. to terminate any negotiations at any time;
- c. to accept or reject at any time prior to the execution of the Development Agreement, all 'submissions and/or to withdraw the RFP without notice;
- d. to expressly waive any defect or technicality in any proposal;
- e. to solicit new proposals;
- f. to rescind a selection prior to execution of the Development Agreement if NDG determines in its sole discretion that the proposal does not conform to the specifications of this RFP; and,
- g. to rescind a selection prior to execution of the Development Agreement if NDG determines that the specifications contained in this RFP are not in conformity with law or that the process in selection of the Developer was not in conformity with law or with the City of Spartanburg.
- h. NDG reserves the right to reject any and all proposals received as a result of this Request for Proposal, or to negotiate issues so as to best serve the interest of the Northside Initiative.

XII. CONTACT

For questions and clarification please call the Northside Development Group 864.598.0097

PROPOSAL

to the Northside Development Group's Homeownership Program

ORGANIZATION INFORMATION			
NAME OF ORGANIZATION:			
ADDRESS:			
CITY:	STATE:	ZIP:	
CONTACT PERSON/TITLE:			
E-MAIL ADDRESS:			
FEDERAL TAX ID#:			
ORGANIZATIONAL STATUS:	NON-PROFIT	FOR PROFIT	
PROPERTY TO	D BE DEVELOPED UNDER TH	IIS PROPOSAL	
Neighborhood	Address	Tax Map No.	
*Additional pages may be attack	ned if necessary.	1	
C	ERTIFYING REPRESENTATI	VE	
To the best of my knowledge and be of this organization has duly authoriz		e and correct and the governing body	
NAME: TITLE:			
(Please Print)			
	DATE:		
(Signature)			

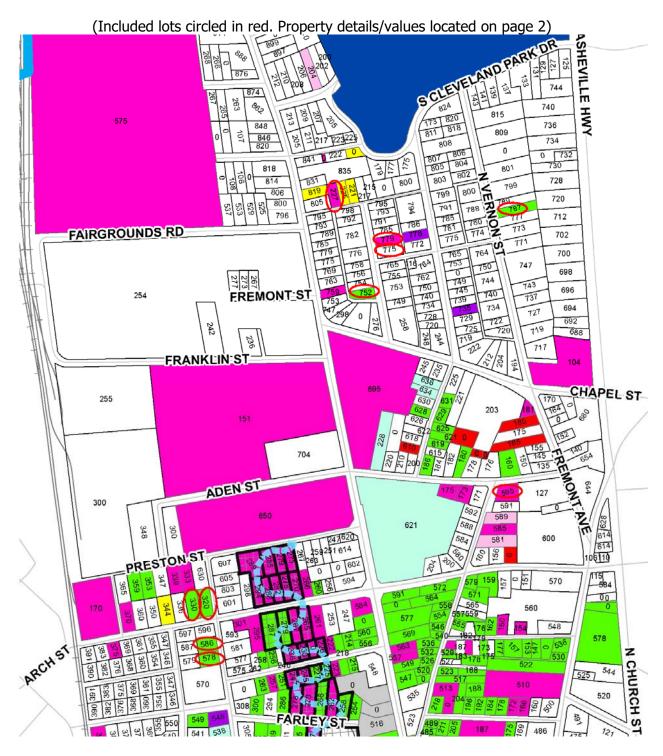
Deadline: March 1st, 2018

ADDENDUMS

- A. LOT LOCATION AND PARCEL MAPS
- B. DESIGN SPECIFICATIONS CHAPTER 6 OF MASTER PLAN
- C. SOURCE AND USES OF FUNDS
- D. ORGANIZATION/COMPANY DOCUMENTATION
- E. LETTERS OF SUPPORT

Addendum A: Lot Location and Parcel Map

Address	Parcel #	Address	Parcel #
775 Leonard St	7-11-04-109.00	320 Arch St	7-12-05-004.00
779 Leonard St	7-11-04-110.00	330 Arch St	7-12-05-005.00
752 Leonard St	7-11-04-128.00	586 Brawley St	7-12-05-057.00
227 Shorthill St	7-11-04-086.00	578 Brawley St	7-12-05-058.00
787 N Vernon Ave	7-12-01-003.00	595 Vernon St	7-12-01-133.01



Addendum B: Design Specifications Chapter 6 of Master Plan

"CLEVELAND HEIGHTS" - (CH)

Vision

The historic Cleveland Heights neighborhood consists of many strong Northside residents. Additionally, the Archibald Rutledge (SHA) tower's senior's village is part of the neighborhood 3 (N3). A series of new (low density) senior cottages is proposed around Archibald Rutledge Tower. With this tower proposed for a large-scale /significant renovation effort to an independent living facility for those 62 and up. Strengthening pedestrian connectivity to/from Cleveland Park as well as providing sidewalks and urban streetscapes along Church St. for both Archibald residents and medical center staff will allow pedestrians to better connect with the Northside neighborhood.

A = Proposed Artlets and Parklets (Refer to pg.144 Vision: Arts and Culture)



Recommended Land Uses

Primarily infill single-family homes (one to two levels), new senior cottages around Archibald Rutledge Tower. Existing homes to be targeted for rehabilitation through home repair assistance programs.

Growth Scenario

10-20 infill lots of new single family home to help strengthen the neighborhood











Northside residents indicate a preference for single-family homes.

"FORMER SPARTAN MILL COMMUNITY" - (SM)

Vision

The historic "Mill Village" surrounding the old Spartan Mill (now the VCOM medical School). The Butterfly Branch Creek daylighting will open up green space and park opportunities for the community. Student housing mixed-use along College St. combined with target urban edge mixed income multi-family housing and rowhouses will be integrated with targeted single-family infill houses.

New Construction 156 MF units 46 Townhouse units Total: 202 Dwelling units

=Proposed Artlets and Parklets (Refer to pg.144 Vision : Arts and Culture)





Recommended Land Uses

Infill single-family homes (one to two levels) and targeted new infill rowhouses on Brawley St. and other strategic locations. Existing homes targeted with rehabilitation incentives and efforts.

Growth Scenario

10-20 infill homes within neighborhood to help strengthen the existing community.













Preferred housing and streetscape

ADDENDUM C SOURCES AND USES OF FUNDS

Sources of Funds	Amount (\$)
First Mortgage	\$
Other:	\$
Other:	\$
Other:	\$
Developer Equity	\$
Other:	\$
Other:	\$
Other:	\$
Total Sources	\$

Specify "Other" Sources of Funds.

Uses of Funds	Amount (\$)
Construction Costs	\$
Professional Fees	\$
Carrying Costs & Other Project Fees	\$
Developer Fee	\$
Other:	\$
Other:	\$
Other:	\$
Total Sources	\$

Specify "Other" Uses of Funds.

ADDENDUM D ORGANIZATION/COMPANY DOCUMENTATION

All current items MUST BE SUBMITTED with the proposal

	Enclosed with this Proposal?
"NON-PROFIT" ORGANIZATIONS	
Articles of Incorporation	
Bylaws	
IRS 501 (c)(3) determination letter	
Current list of board members (Include names, addresses & term dates)	
Two most recent audited financial	
statements, OR certified statement of	
revenues and expenditures	
Approval of financial statements by the	
board of directors	
"FOR-PROFIT" ORGANIZATIONS	
Current list of owners/partners	
Two most recent audited financial	
statements, OR Certified statement of	
revenues and expenditures	

ADDENDUM E Letters of Support

*Must include 1 letter from Northside Neighborhood Association