



affordable housing alliance

REQUEST FOR PROPOSAL (RFP)

**CO-DEVELOPMENT PARTNER /
DEVELOPMENT TEAM**

**GRANDVIEW APARTMENTS
REDEVELOPMENT INITIATIVE**

Hope. Strength. Community.

REQUEST FOR PROPOSALS (RFP) FOR
CO- DEVELOPMENT PARTNER/DEVELOPMENT TEAM
GRANDVIEW APARTMENTS REDEVELOPMENT INITIATIVE

Submit Proposal to Attention of:

**Chris Pugliese, Director of Housing Development
Affordable Housing Alliance
3535 Route 66, Parkway 100, Building 4
Neptune, NJ 07753**

Responses Due:	Proposals accepted on ongoing basis until 4:00 p.m. on Wednesday, November 17, 2021.
Pre-Proposal Meeting:	A pre-proposal meeting will be held on October 15, 2021 11:00 a.m. on site, at Grandview Apartments. The site address is 104 Carr Avenue. The meeting will be held in a community room in Building #4, which can be accessed from the parking lot at the intersection of Center Ave. and Bellevue Ave. If interested in attending, please RSVP to aha-admin2@housingall.org as soon as possible.
Submissions Requirements:	Qualified individuals or Firms responding to this Request for Proposals must submit one (1) original and five (5) copies of their typewritten proposal in a sealed envelope, clearly labeled with the RFP Title and Solicitation Number by the deadline to the above noted address. An electronic copy should also be submitted via flash drive. Any party interested in being considered for the award must submit a proposal in response to this RFP in accordance with the instructions and terms herein. By submitting a proposal, the Responder agrees to be bound by the terms and conditions of this RFP and all applicable laws, regulations, and requirements which may govern the use of funds. The Affordable Housing Alliance reserves the right to select one or more co-developers under this solicitation.
Presentations/Interviews:	TBD
RFP Solicitation No.:	Grandview-01
Date of Issue:	September 26, 2021

INTRODUCTION & BACKGROUND:

The Affordable Housing Alliance (AHA) is a nonprofit housing development and social service agency that has been serving residents for over 30 years. The AHA's mission is to improve the quality of life for all New Jersey residents by developing and preserving affordable housing, by providing services that maintain affordability, by providing housing education, and by helping communities meet their legal and moral housing obligations.

The AHA has developed, renovated, or constructed over 600 units of housing throughout Monmouth County. Our unique portfolio represents the variety of housing options that are available for low and moderate income households. Included in AHA's portfolio are over 420 units. Furthermore, the AHA is an ownership partner on two tax credit sites, totaling 146 units. In addition to our development and management experience, the AHA is a HUD-certified housing counseling agency and provides a variety of social service and assistance programs to assist individuals obtain and remain in permanent affordable housing.

The AHA is interested in pursuing the redevelopment of the existing Grandview Apartments located in Keansburg, NJ. In order to accomplish this, we are seeking an experienced and forward thinking co-development partner with the background, knowledge, and demonstrated record of innovation in concept and design to undertake this exciting project. The AHA intends to be a true co-developer and will actively participate in the redevelopment process and activities in a variety of roles including the selection of professionals. Co-Developer should be able to demonstrate extensive experience with Mixed Income, Affordable, and/or Market Rate housing.

PROJECT LOCATION

Located at 104 Carr Avenue (Lot 1, Block 53 & Lot 2, Block 15) in Keansburg, NJ, the entire site is roughly 5.62 acres. The AHA is seeking proposals that would seamlessly reimagine and integrate the site within the surrounding neighborhood, including increased density. It is a Bayfront property with views of New York City, and desirable nearby amenities including:

- Just steps away from Baywalk Boardwalk, and boating accommodations at neighboring Keyport with a selection of marinas
- Recreational destinations in close proximity such as Sandy Hook Beach and Recreation Area, Cheesquake State Park and Keansburg Fishing Pier
- Walking distance to family-friendly destinations like Keansburg Amusement Park, Runaway Rapids Waterpark and Hole in One Miniature Golf
- A short distance to Red Bank for upscale dining, entertainment and nightlife as well as easy accessibility to PNC Bank Arts Center for concerts and events
- Conveniently located close to Route 35, the Garden State Parkway and I 95
- Near NJ Transit® Hazlet and Matawan Stations with direct service to NYC
- Express bus to NYC (1 hr. 15 min. to Midtown/ 1 hr. 30 min. to Wall Street)
- 20 minutes to Sea Streak Ferry Terminal with 40-minute service to Wall Street and 60-minute service to East 35th Street
- 12 minutes to NY Waterways Terminal (Belford / Harbor Way) with 45 to 65-minute service to Midtown / West 39th Street and 40 to 55-minute service to Pier 11 / Wall Street

- Recent and Planned Keansburg Development:
 - The neighboring “Cove on the Bay” is a modern mixed income project completed in 2019
 - The Borough of Keansburg recently approved a Master Development plan including sections of Beachway Avenue and Carr Avenue, adjacent to the project site. Plans can be found on the Borough website. https://keansburgnj.gov/wp-content/uploads/2021/07/Ordinance-Exhibit-Ord-1679-Carr-Avenue-Corridor-Redevelopment-Plan_06-25-21.pdf

CURRENT CONDITIONS

The site, constructed in the late 1960’s is located within a flood zone. The entire development was fully renovated in the 1990s and has undergone routine maintenance and improvement since. Despite this, and given its age, it is currently in need of rehabilitation. The current site includes 9, 2-story garden style apartment buildings spread across more than 5 acres, and features a community room, office and laundry facilities on site.

An Engineering Report conducted in August of 2020 identified a number of significant issues, including water infiltration and standing water in crawlspaces of 7 of 9 buildings. All crawlspaces flooded during Hurricane Sandy and continue to do so during heavy rains. Other conditions identified in the report include the following in some or all of the buildings:

- Foundational Wall Cracking
- Floor Decay/Softening Due to Excess Moisture
- Brick and Mortar Cracking
- Steel Lintel Rusting
- Gaps Between Floors and Walls
- Building Foundation Sloping
- Rotting Sub Floor
- Crawlspace Dampness and Mold
- Visible Mold on Structural Wood
- Pipes Potentially Containing Asbestos Material

HUD USE AGREEMENT

In 1996, the AHA entered into a 50-year Use Agreement with HUD under a program called LIHPRA (Low-Income Housing Preservation and Resident Homeownership Act of 1990). While there are 25 years remaining, the AHA has no financial obligations relating to it. We are simply bound to the agreement, which requires the site maintain 131 affordable units for its lifespan. In preliminary conversations with our local HUD Field Office, we received positive feedback as far as redeveloping the current site. It would be our expectation that our co-development partner works with us in following any process HUD deems necessary in order to amend this agreement and redevelop.

APPROACH AND FUNDING

The AHA is seeking innovative proposals as we look to select a co-development partner to assist in rethinking and redesigning the entire Grandview property. All options, ideas, and innovative proposals

are welcome and will be considered. This could include total demolition and redevelopment and/or partial demolition and substantial rehabilitation.

The ultimate goal is the selection of a co-development partner that will work with AHA on a development plan that is economically viable and results in the creation of quality housing for current and future residents. The AHA will work closely with the selected co-development partner to design a financially viable comprehensive master revitalization plan.

The following items are priorities:

- The new site must contain 131 affordable units, but may also include “market” rate units, and/or a commercial component.
- Community involvement, input and feedback is crucial to the AHA. As a longstanding community partner, and owner in town, it's extremely important that the selected co-development partner embrace our commitment to community and our existing residents. This will be accomplished through assisting the AHA to solicit feedback, communicate and coordinate development activities alongside the AHA with resident leadership, community workshops and other open forums to assure that all stakeholders have a say in the development process and are kept abreast of ongoing activity.
- The design should incorporate sustainability and be built to withstand flooding & future storms.

After selection and agreement, the selected developer will be required to explore and secure, in conjunction with the AHA staff, public and private funding sources to assist in financing the proposed redevelopment efforts. Potential development sources can include: low income housing tax credits, tax exempt bonds, project based Section 8 subsidiaries, Section 8 housing choice vouchers, HUD HOME funding, Community Development Block Grant funding, and any other private/public funding available now or in the future.

RELOCATION

The redevelopment of Grandview Apartments will require a potential relocation plan for individuals and families currently residing in the 131 apartments. This may require a partnership with a local housing authority or similar entity with means for voucher distribution. The Co-Developer will be expected to provide resources, both financial and personnel to assist the AHA in the development and implementation of a relocation plan. This may include working with a 3rd party consultant with expertise in the relocation field. While the AHA does not have the ability to apply for and distribute vouchers on its own, it should be noted that the majority of current residents have tenant based Section 8 vouchers. We are open to the idea of project phasing to ease this process, if possible.

OWNERSHIP STRUCTURE(S) AND LAND CONTROL

The AHA anticipates the existing combined site acreage could potentially be subdivided to accommodate planned phasing and/or site control requirements imposed by funding sources. If

necessary, the AHA will allow for maximum flexibility in the structuring of its relationship with the co-development partner.

A separate ownership entity which includes the AHA and/or designated subsidiary may be utilized to hold title and transfer ownership of the physical projects. Land may continue to be owned by the AHA, and conveyed to the ownership structure via a long term ground lease. The AHA is also open to discussing scenarios where the project can take ownership of the land.

The AHA will retain first right to purchase the project after the expiration of the affordability period.

DEVELOPMENT AGREEMENT

Once selected, the AHA will make a good faith effort to enter into a co-development agreement with the successful respondent. Any co-development agreement will be subject to approval by the AHA Board of Directors. Expectations of that agreement will include but not be limited to:

- Predevelopment costs to be covered by our co-developer, with an understanding that the majority of costs will eventually be reimbursed by the project. This will include attorney fees for AHA representation dedicated to this project.
- A Developer Fee (expectation to negotiate a minimum 40% share for AHA)
- Cash Flow (expectation to negotiate a minimum 40% share for AHA)
- Management Fee (expectation to negotiate a minimum 40% share for AHA)
- Property Acquisition Costs
- An agreed upon flat rate to reimburse the AHA for staff/consultant time dedicated to construction monitoring.
- AHA will retain first right to purchase the property after the expiration of the affordability period.
- The AHA will participate in the selection process of all professionals, and have to sign off on any professional selections including but not to be limited to: architect, engineer, project attorney, general contractor, relocation consultant, etc.
- Negotiation with regards to actual management of the property.
- Commitment to an agreed upon WBE/MBE workforce.
- 51% ownership in the general partner of any potential tax credit general partnership entity (allowing us to take a step toward applying for projects on our own).
- Any other potential incentives to be negotiated that would benefit the AHA and/or its residents.

REGULATORY AND OPERATING AGREEMENT(S)

The owner entity of each element of the project shall be required to enter into a Regulatory and Operating Agreement with the Affordable Housing Alliance.

Details of the Regulatory and Operating Agreement are subject to negotiations with the selected

co-developer and will include the levels of operating and capital replacement reserves, the rights of the owner to change the occupancy of the development in the event of diminished operating subsidies and, other such terms as agreed upon or required by lenders/investors/governing bodies.

PROPOSAL REQUIREMENTS

Submissions from interested parties are due on or before November 17, 2021 before 4:00 PM Eastern Standard Time. Proposals received after the stated deadline will not be considered and will be returned as unresponsive. Respondents must deliver five (5) complete sets, (one (1) original and four (4) copies) of the proposal documents in a sealed package clearly marked with the words "AHA – Grandview Apartments Redevelopment." There should also be an electronic copy of the proposal provided via flash drive.

A selection panel will be convened by the AHA and will complete its review of the responses as soon as possible after the close of the RFP deadline. Proposals, which in the sole discretion of the AHA selection panel, are considered to be most responsive to this Request for Proposals, will be selected for further review and interview.

Interviews with top ranked firm(s) will begin as soon as arrangements can be made with the firm(s). The AHA reserves the right to interview as many respondents as it deems necessary to procure the desired services, make multiple awards, and reject as unresponsive, any response which does not, in the sole discretion of the AHA, meet any submission requirement.

The proposals should include the following:

Experience and Qualifications

1. Team Description:

Provide information on the co-developer and its team members, including the following information:

- A. Corporate name, description and brief history of firm.
- B. Main address, main telephone/fax numbers and email address.
- B. Address and telephone number of the office from which services will be provided to the AHA, if different from above.
- C. RFP contact person, title, telephone/fax numbers and email address.
- D. Description of the size, number of employees and the current workload of the potential master planning team.
- E. Identify the individual who will serve as lead for the development team and who will direct and coordinate the development effort to completion. This person will be key and must remain on the project unless substitution is approved by the AHA.
- F. List the members of the development team. All entities that comprise the team should be identified, indicating their experience, specialization(s) and specific contribution to the team. Any nonprofit or housing authority experience of a team member should be noted.

- G. Provide a narrative description of team's previous expertise in developing housing, utilizing various sources, and assets
- H. For each discipline represented on your development team, indicate the extent of and the basis for the development team's familiarity with state (New Jersey) or local (Monmouth County) rules, practices, and conditions.

2. Planning and Redevelopment Capacity and Experience:

Provide an overview of the co-developer's experience in planning, designing, constructions and management of non-profit/public housing development initiatives and projects. Each of the tasks associated with the primary responsibilities identified in the text provided should be addressed. These include, but are not limited to, application preparation, site and infrastructure development, financing, rental housing development, senior living development, site-wide zoning approvals, property management, and homeownership development.

- A. Provide a detailed description of previous Affordable/Mixed Income/Market Rate experience. Indicate size and scope of the projects listed and whether projects have been completed and leasing has occurred.
- B. Articulate ability to provide master planning services.
- C. Provide development record with multi-phase projects.
- D. Provide information about firm's experience assembling financing heavily leveraged projects.
- E. Indicate experience forming limited partnerships and acting as a general partner.
- F. Provide record of WBE/MBE hiring

3. Property Management Capacity and Experience:

Please include examples of your firm's ability to manage Mixed Income/Affordable Communities. This should include tax credit management experience if that is what is proposed.

The AHA is dedicated to providing excellent customer service to residents throughout its portfolio. We would like to maintain participation in the management of any future property. Exactly what that would look like is to be negotiated. Please provide a statement committing to working with the AHA in this regard.

4. Project Vision

- A. Please include narrative, financial and/or visual representation of your firm's vision for the future of the site. Please do not hesitate to provide multiple options. These may include but are not limited to:
 - (1) Conceptual Renderings
 - (2) Financial Pro Forma

- (3) Photo from any sites you envision to be similar in nature that you or your team members have participated in.

5. References:

- A. The respondent must also provide the firm's most recent audit or a current statement prepared by a Certified Public Accountant.
- B. Three (3) references must be submitted for the developer. References that are relevant to the scope of work as anticipated in this RFP and from among the following entities are most desirable.
 - i. Construction lender
 - ii. Permanent lender
 - iii. General contractor on a comparable development
 - iv. A community group that has worked with the co-developer/partner on a specific development.
 - v. Prior joint Master Planning and Development/Partnership experience in a comparable development.

NOTE: In providing references, please provide the name, title, organization name and phone number, as well as the name of the affordable rental housing, owner housing, or commercial development with which the reference is familiar.

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

The AHA and the local community anticipate investing significantly in this project and as a result expect significant local employment and economic development to result from the project. The response must include a discussion of the approach and methods your team will utilize to assure strong participation by local businesses including minority-owned and women-owned businesses. To the extent that such local businesses are included in the team or committed to the 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. We anticipate WBE/MBE participation to be negotiated at a percentage higher than 15%.

6. Miscellaneous Requirements and Attachments:

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

7. Additional Information:

The AHA reserves the right to request additional information and any clarification it deems appropriate to the selection process, including but not limited to assurances and certifications.

AHA EVALUATION CRITERIA:

All responses to this RFP will be evaluated using the following Criteria and Scoring by the AHA review committee. The review committee will include representatives of the AHA and/or parties the AHA Board deems appropriate. Top scoring proposals will be invited to provide a presentation to the review committee.

Points will be awarded by the AHA's Selection Committee on the following basis:

- DEVELOPMENT CAPABILITY AND CAPACITY – 0 to 20 POINTS
- SUCCESS IN SECURING PRIVATE FUNDING FOR DEVELOPMENT – 0 to 15 POINTS
- FINANCIAL CAPACITY – 0 to 15 POINTS
- PROPOSED PLANS/IDEAS – 0-20 POINTS
- M/WBE LOCAL PARTICIPATION – 0 to 10 POINTS
- QUALITY OF REFERENCES – 0 to 10 POINTS
- FINANCIAL BENEFIT TO AHA 0-10 POINTS

Total of proposal scores is a maximum of 100 points. AHA reserves the right to conduct interviews with highest scoring firms based on the above criteria, or any other firm at the Alliances sole discretion. We are in no way bound to the scoring noted above.

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