Philadelphia Land Bank

37th Ward Affordable Homeownership RFP

Q&A

Development & Phasing

Is the Land Bank open to phased development, or is it expecting all proposed homes to be completed under one financing closing?

Answer – These are two separate questions. For a submission to make it past the initial threshold review and be considered qualified and complete, the applicant must show a complete capital stack of the ability to fully finance the total development project. An applicant cannot submit for ten (10) parcels to develop and only show financing for five (5).

If an applicant submits a qualified and complete, providing documentation to fully finance the total development project we will negotiate a phased development, but that needs to be detailed in the applicant's application and there must be financing for all properties to be developed.

If a proposal includes only a portion of the available parcels (for example, 10 homes), will that be considered responsive, or is the expectation that all parcels in the RFP be developed?

Answer – All properties in the RFP must be developed.

Design

How much flexibility do proposers have in adapting home designs to individual lots while maintaining a consistent architectural character?

Answer – The homes should be consistent with the existing block typology. If the existing homes on the block have porches, we expect the proposed homes to also have porches. The homes will eventually need signoff from L & I to obtain the certificate of occupancy.

Are there preferred exterior materials or architectural details beyond those described in the design guidelines?

Answer – The development should be consistent with the existing block

Financing

What type of financial documentation is considered acceptable to demonstrate financial capacity at the time of proposal submission? Would a lender's pre-approval or pre-qualification letter satisfy this requirement, or is additional documentation expected?

Answer – See page 4 of Exhibit C - The Land Development Purchase Application Check List:

PROOF OF FUNDS

Acceptable third-party documentation of available funds in an amount no less than the purchase price plus development costs in accordance with the requirements below must be submitted. Availability and source of funds will be confirmed again prior to settlement. Applications submitted for different properties by the applicant or any entity related to the applicant should indicate separate sources of funds. Applications for different properties that intend on utilizing similar funding sources may not have the financial capacity to develop all the properties for which they have applied and may place them at a disadvantage among other applicants. Acceptable third-party documentation includes the following and must conform to the requirements below.

Line of Credit and/or Loan Financing

- **Is documentation evidence of the line of credit and loan financing (e.g., pre-approval, pre-qualification, or commitment letter) that conforms to all of the following included?**
    - **Presented on the financial institution's letterhead**
    - **Indicates the name of the applicant (or a principal of the applicant if the applicant is an entity or a yet-to-be-formed entity)**
    - **Indicates the amount of credit and/or loan financing in U.S. dollars**
    - **Indicates restrictions on the use/access, if any**
    - **Indicates the terms including the term, interest rate, fees, and any contingencies**
    - **Is dated within 30 days prior to submission**
    - **Includes the name, title, signature, and contact info of the authorized individual at the financial institution**

Bank/Financial Account Statements

- **Are bank account statements for the three (3) most recent consecutive months immediately prior to submission to document evidence of equity funding available to the project that conforms to all of the following included?**
    - **Indicates the name of the bank where the account is held**
    - **Indicates at least the last four digits of the account number**
    - **Indicates the name of the applicant (or a principal of the Applicant if the Applicant is yet to be formed)**
    - **Indicates the dates of the statement period**
    - **Indicates the period beginning and ending balances**

<u>**Development Team**</u>

Can members of the development team be identified as "proposed" if formal agreements have not yet been executed before the submission deadline?

Answer – Yes

Would the Land Bank consider a phased development approach, or is it expecting all parcels identified in the RFP to be developed under a single proposal (financing and construction schedule)?

Answer – See answer in question 1

<u>**Evaluation**</u>

How does the evaluation committee assess first-time developers who have significant construction management experience but are partnering with experienced affordable housing professionals?

Answer – All qualified proposals are assessed the same way and scored based on the City Council approved scoring rubric.

Are there any common reasons proposals are found non-responsive or less competitive that applicants should be aware of?

Answer – Submitting an incomplete application is most common, which could include the following and other issues:

- **Application incomplete**
- **No plans submitted**
- **Only proposing to develop a few properties in the RFP**
- **No evidence of financing,**

- **Applicant is not tax compliant with the City of Philadelphia**

<u>Closing & Schedule</u>

Following selection, what is the anticipated timeline for due diligence, closing, and commencement of construction?

Answer – Several issues impact the timeline to settlement:

- **The current ownership of the properties and the need for inter-agency transfers to the Land Bank,**
- **Obtaining zoning and building permits**

<u>Infrastructure</u>

Have environmental assessments, utility investigations, or geotechnical studies been completed on any of the parcels, and if so, will those reports be made available to the selected developer?

Answer – No.

After the selected applicant gets Land Bank board approval and City Council approval, they will need to enter into a license agreement with the land-owning entity to conduct Geotech, etc.

<u>Community Engagement</u>

Are there community organizations, Registered Community Organizations (RCOs), or neighborhood groups that the Land Bank recommends proposers engage during the planning process?

Answer – Prior to the selected applicant going to the Land Bank board for approval, they will need to conduct a community meeting. A community engagement package will be sent to the selected applicant with detailed instructions on how to conduct the meeting and that package will include the affected RCO's information.

<u>Parcel Scope</u>

Is there a minimum or maximum number of parcels that a proposer may include in a single proposal, or is that left to the applicant's development strategy?

Answer – All proposals must include all the properties contained in the RFP.

Partial Proposals

If a proposal includes only a portion of the parcels identified in the RFP, will it still be considered responsive and competitive during the evaluation process?

Answer – The proposal would be rejected.

Certification

If a proposer is not MBE-certified, is there value in partnering with certified MBE/WBE firms as part of the development team?

Answer – As per the scoring rubric, MBE/WBE is 30% of the scoring