



DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY

**ADDENDUM NO. 1
TO
REQUEST FOR PROPOSALS (RFP) NO. CRA 2020-01
FOR DEVELOPMENT AND DISPOSITION OF CRA-OWNED PROPERTIES IN THE
SW NEIGHBORHOOD FOR WORKFORCE HOUSING
(CARVER SQUARE)**

OCTOBER 19, 2020

TO ALL PROPOSERS AND OTHERS CONCERNED

The Delray Beach Community Redevelopment Agency ("CRA") has heretofore published a Request for Proposals dated September 28, 2020, with respect to its intent to receive and consider Requests for Proposal (RFP) by qualified parties experienced and/or specializing in affordable / workforce housing for the development and disposition of twenty (20) residential properties owned by the CRA, within the Southwest Neighborhood of the CRA District of the City of Delray Beach. The intent of this Addendum is to address questions and/or errors, and to clarify other aspects of the RFP. Questions contained in this Addendum include ones asked at the October 3, 2020, Voluntary Pre-Proposal Meeting. Proposers submitting Proposals for the above-referenced Project shall take note of the following changes, additions, deletions clarifications, etc., to the RFP which shall become a part of and have precedence over anything shown or described otherwise.

1. **Do both a hard copy and an electronic copy of the Proposal need to be submitted?**

Yes. One (1) unbound original hard copy of all the required documents **AND** an electronic, searchable PDF file of the full Proposal on a USB device must be submitted. The original hard copy needs to have wet signatures where signatures are required. The PDF file of the Proposal does not need to have wet signatures; a scanned copy of the documents will be accepted; however, the PDF file must be searchable.

2. **Will the list of attendees of the Voluntary Pre-Proposal Meeting be published?**

Yes. The list of attendees of the October 3, 2020, Voluntary Pre-Proposal Meeting has been published on Bidsync.

3. **What type of signature is needed for the electronic copy of the Proposal?**

Please see the Answer to Question 1.

4. **Are the properties currently vacant?**

Yes. All twenty (20) properties are currently vacant lots.

5. **What are the Bonus Points?**

There are two (2) Optional Tasks described in Article IV, "RFP Overview", and further described in Article V, "Submittal Requirements" of the RFP. Proposers are not required to include responses to either of the two (2) Optional Tasks. A Proposal will not be deemed unresponsive if the Proposer does not include responses to either of the Optional Tasks. However, if a Proposer chooses to provide a response to either of the Optional Tasks, the Evaluation and Selection Committee may consider the Proposer's response(s) during the Evaluation and Selection Period. The Evaluation and Selection Committee has the sole discretion to award a Proposer up to two (2) Bonus Points for Optional Task for which there is a response. Should a Proposer submit a response to both of the Optional Tasks, a maximum total of four (4) Bonus Points may be awarded to the Proposer by the Evaluation and Selection Committee.

6. **Can clarification be provided as to the Area Median Income (AMI) requirements?**

Either the City of Delray Beach's Workforce Housing Program or Palm Beach County's Workforce Housing Program workforce guidelines and housing income limits may be followed, provided that the timeframe that allows the homes to be restricted as workforce housing for the longest duration is utilized.

See City of Delray Beach Land Use Regulations Article 4.7 for additional information on the City's Workforce Housing Program - <https://www.delraybeachfl.gov/home/showdocument?id=660>.

See Palm Beach County's Housing and Economic Sustainability Department for additional information on the County's Workforce Housing Program - <https://discover.pbcgov.org/hes/pages/housing-programs.aspx>.

7. **Is there a requirement for CBS or wood frame construction?**

There is no specific requirement listed within the RFP; Proposers should include such information under the "Project Overview, Development, and Construction Plan" section of their Proposal for consideration by the Evaluation and Selection Committee. All architectural designs, and development and construction plans will need to comply with Florida Building Codes, the City of Delray Beach Land Development Regulations, and any other applicable regulations.

8. **Can clarification of the deadlines for the RFP be provided?**

Please see Article IV, "RFP Overview", of the RFP for the deadlines.

9. **Will there be special consideration for LEED certified or energy efficient designs?**

There is no specific requirement listed within the RFP for LEED certified or energy efficient designs; Proposers should include such information under the "Project Overview, Development, and Construction Plan" section of their Proposal for consideration by the Evaluation and Selection Committee. The Evaluation and Selection Committee will follow the Evaluation Criteria stated in Section VI, "Evaluation Criteria & Selection Procedure" to award points for the overall Proposed Development and Construction Plan.

10. **Can clarification of the bond requirements be provided?**

Article VII, "General Terms and Conditions," of the RFP states the bond requirements. A Bid Bond must be submitted with the Proposal, along with evidence of the Proposer's Financial Capacity to commence and complete the Project, and evidence that the Proposer will be able to secure a Payment and Performance Bond to guarantee the completion of the Project.

Article VII, "General Terms and Conditions", Section A, "Bid Bond, Financial Capacity, & Payment and Performance Bond (REQUIRED)":

"The Proposer must submit with their Proposal a Bid Bond represented by a Cashier's Check or money order in favor of the Delray Beach CRA in the amount of \$2,500.00. The initial Bid Bond will be returned within ninety (90) days from the date of delivery to any Proposer who has not been selected to negotiate a contract with the CRA during that period. For the Successful Proposer, the Bid Bond will be applied to subsequent contractual deposit requirements. Withdrawal from the RFP process after submission of a Proposal will result in a forfeiture of the Bid Bond.

Additionally, the Proposer must submit with their Proposal evidence of its Financial Capacity to commence and complete the Project. Such evidence may include a loan commitment letter, or other documentation clearly supporting the Proposer's Financial Capacity to commence and complete the Project and all necessary responsibilities within the timeframe stated in this RFP.

Finally, prior to Closing, the Proposer shall be required to submit a Payment and Performance Bond. The Payment and Performance Bond shall serve to guarantee completion of construction of the Project. As such, the Proposer must submit with their Proposal evidence that they will be able to obtain such a Payment and Performance Bond."

11. **How will the properties be disposed?**

All twenty (20) properties will be disposed of at the same time to a single entity. Upon receipt of an acceptable Proposal and a negotiated contract and/or development agreement with a Successful Proposer, as well as the Successful Proposer's compliance with conditions precedent to closing, the CRA will close on the properties as described in the RFP, or as agreed to pursuant to the contract and/or development agreement negotiated between the Successful Proposer and the CRA.

12. **Can clarification of the bond amount be provided?**

Per Article VII, "General Terms and Conditions", Section A, "Bid Bond, Financial Capacity, & Payment and Performance Bond (REQUIRED)" of the RFP, a \$2500 Bid Bond is required to be submitted with a Proposal. The amount needed for the Payment and Performance Bond will depend on the development and construction costs associated with each Proposer's Proposal.

13. **Can clarification of the Cone of Silence be provided?**

Article VII, "General Terms and Conditions", Section E, "Cone of Silence/No Lobbying" of the RFP:

"As to any matter relating to this RFP, any Proposer, team member, or anyone representing a Proposer is advised that they are prohibited from contacting or lobbying the CRA Chair, any CRA Commissioner, CRA staff, or any other person working on behalf of the CRA on any matter related to or involved with this RFP. For purposes of clarification, a team's representatives shall include, but not be limited to, the Proposer's employees, partners, attorneys, officers, directors, consultants, lobbyists, or any actual or potential subcontractor or consultant of the proposer and the proposer's team. There will be an opportunity for inquiries to be made of CRA staff during the scheduled Pre-Proposal Meeting. All inquiries must be in writing and directed to the CRA (tibbsc@mydelraybeach.com). Any violation of this condition may result in rejection and/or disqualification of the proposer. This "Cone of Silence/No Lobbying" is in effect from the date of publication of the RFP and shall terminate at the time the CRA Board selects a proposal, rejects all proposals, or otherwise takes action which ends the solicitation process."

14. **Can clarification of the condition of the soil be provided?**

Remediation of the soil conditions and stabilization of the twenty (20) properties was completed on November 17, 2014. Exhibit B of the RFP is the letter from the Florida Department of Environmental Protection stating that site rehabilitation has been completed without the need for any further actions.

15. **What are the draw procedures?**

There are no draw procedures. **This solicitation is a Request for Proposals and is NOT an Invitation to Bid on the construction of twenty (20) homes.** The CRA intends to dispose of all twenty (20) vacant lots to a single, qualified entity. As such, Proposers are required to provide not only their overall development and construction plan for the twenty (20) vacant lots, but also their offering price and terms for their acquisition of the twenty (20) vacant lots. The offering price and terms should include the terms of payment, the anticipated closing date, and any conditions, contingencies, and additional requirements that affect the purchase.

Moreover, the Proposer must submit their total Project Cost Analysis and Construction Costs (Exhibit E of the RFP) stating, by category, the major elements of the Project and development fees. The major cost items shall include, at a minimum, land costs and construction costs.

And finally, the Proposer must provide evidence of their financial capacity to pay for all associated development and construction costs to commence and complete the Project, in addition to providing evidence of their ability to secure a Payment and Performance Bond to guarantee the completion of the Project.

Per Article IV, "RFP Overview", Section H, "CRA Provided Funding & Subsidies" of the RFP, the CRA will not be providing any funds or subsidies to the Successful Proposer to develop or construct the properties, or to complete the Project.

16. **Is there an expectation for a presentation to the CRA Board or Selection Committee from the Proposers?**

At the discretion of the Evaluation and Selection Committee and/or the CRA Board, presentations may be required. If presentations are requested, ample time will be given to those Proposers to prepare for their presentations.

17. **Can clarification of the requirement to use the CRA Architectural Plans be provided?**

The CRA has developed Architectural Plans for the properties, see Exhibit A of the RFP, and Proposers may utilize the CRA Architectural Plans or elements contained therein within their Proposals. Proposers are not required to include any portion of the CRA's Architectural Plans within their Proposals. The use of the CRA's Architectural Plans or elements thereof should be addressed by the Proposer as a response to one of the Optional Tasks stated within the RFP. The Evaluation and Selection Committee has the discretion to award up to two (2) Bonus Points for such a response.

18. **Does the bidder need to register with the City of Delray in order to participate in this bid?**

No, Proposers do not need to be registered with the City of Delray Beach to submit a Proposal. To clarify, this solicitation is a Request for Proposals and is not an Invitation to Bid.

19. **What is the proposed budget for this project?**

The CRA does not have a proposed budget for this Project. **This solicitation is a Request for Proposals and is NOT an Invitation to Bid on the construction of twenty (20) homes.** The CRA intends to dispose of all twenty (20) vacant lots to a single, qualified entity. As such, Proposers are required to provide not only their overall development and construction plan for the twenty (20) vacant lots, but also their offering price and terms for their acquisition of the twenty (20) vacant lots. The offering price and terms should include the terms of payment, the anticipated closing date, and any conditions, contingencies, and additional requirements that affect the purchase.

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20. **In reference to the payment terms, how is the City going to manage payment throughout the phases of the Project?**

This Project is not being managed by the City of Delray Beach; this is a Delray Beach Community Redevelopment Agency Project.

There are no draw or payment procedures for this Project. Please see the Answer to Question 15.

21. **Are there any green building requirements for the Project, such as FGBC, NGBS, or LEED certification? If there are no requirements, is there a preference for green building for the units? If preferred, will that be taken into consideration during evaluation of proposals?**

Please see the Answer to Question 9.

22. **The requirements state the Proposer has to have built workforce housing within the past 5 years. My contractor builds mixed use, low, mid, high rise and train stations; and is more than capable of building the work force housing homes but has not built any. Does this stop him from being able to submit offer?**

The intent of this Project is for the CRA to dispose of the twenty (20) vacant lots to a single entity for the purpose of developing and constructing twenty (20) affordable and/or workforce single-family homes. Article V, "Submittal Requirements", Section 8, "Qualifications, Experience, & References" of the RFP, requests that Proposers demonstrate their experience and/or specialization in developing affordable and/or workforce single-family homes through prior projects. Proposers should use their discretion in determining how to best meet this requirement. This criteria, along with the other items stated in the RFP, will be taken into consideration and scored accordingly by the Evaluation and Selection Committee based on the Evaluation Criteria and Selection Procedures stated in Article VI of the RFP.

23. **The RFP says the target buyer population falls within the AMI ranges of 51% to 140%, but cites the workforce categories ranging from Low to High-Moderate. Will Palm Beach County's "Middle Income" category still meet this criteria since it falls within the AMI ranges of 120% to 140%?**

Yes.

24. **Please clarify if the statement that "all 20 single-family homes must be ready for sale within 18 months of closing" means that all homes must be completed, or just that a purchase contract can be executed, with the construction falling outside of the 18 month period.**

Construction of all twenty (20) homes must be completed and ready for sale (with the land) within eighteen (18) months of closing.

Per Article V, "Submittal Requirements", Section 6, "Project Schedule" of the RFP, "[t]he Proposer shall submit a tentative Construction Schedule for the completion of the twenty (20)

single-family houses in one (1) phase with construction beginning in 2021 and with all the homes completed and ready for sale within eighteen (18) months of closing.”

25. **During the pre-bid meeting, it was stated that the City did not have a WFH program but there is a program in the City’s LDRs. Please clarify that statement.**

As mentioned in the RFP, the City of Delray Beach does have a Workforce Housing Program and more information can be found here:

<https://www.delraybeachfl.gov/home/showdocument?id=660>.

26. **With respect to the deed restriction, the City’s Workforce Housing Program restricts the units for 40 years, is this the intended timeframe as the County’s timeframe is 15 years.**

The timeframe that restricts the properties as affordable and/or workhouse housing for the longest duration will be utilized.

27. **Is the timeframe the only provision, if more restrictive in the City’s Workforce Housing, that must be provided? In other words, can one develop in accordance with the County’s program except for the timeframe?**

See Answer to Question 6.

Either the City of Delray Beach’s Workforce Housing Program or Palm Beach County’s Workforce Housing Program workforce guidelines and housing income limits may be followed, provided that the timeframe that allows the homes to be restricted as workforce housing for the longest duration is utilized.

28. **The lots appear to be non-conforming lots under the R-1-A zoning district as they do not meet the minimum width or depth required by the zoning district. Are the lots considered legal lots of record? Are the minimum setbacks required or can they be reduced given the narrower nature of the lots? What is the process of approving the reduced setbacks?**

The minimum lot and setback requirements and process for obtaining any waivers for affordable and/or workforce housing can be found within the City of Delray Beach’s Land Development Regulations Chapter 4, Section 4.1.4(D).

29. **Please confirm if the documentation regarding the 15% local hire requirement is submitted with the RFP or prior/during construction after a selection is made.**

Per Article V, “Submittal Requirements”, Section 7, “Local Hiring” of the RFP, Local Hiring information must be submitted with the Proposal. Should the Successful Proposer need to make any substitutions or changes to the submitted Local Hiring information at any time (even post-closing), that information must also be submitted to the CRA.

30. **Regarding the performance bond, will a higher deposit and Letter of Credit be an acceptable substitute?**

No.

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31. **Section G of Article IV sets a 15% goal to hire local Delray Beach subcontractors to perform labor. The question is, the 15% is solely for labor or can this amount include the materials supplied by the subs? Or for that purpose, would material purchased directly from a local vendor qualify toward the goal?**

Article V, "Submittal Requirements", Section 7, "Local Hiring" of the RFP, states:

"The Proposer shall provide how they will meet the Local Hiring requirement. Documentation shall be provided to state which local subcontractor(s) will be utilized, where the local subcontractor(s) place of business is located, and what type of labor and the percentage of the construction cost the local subcontractor(s) will be performing.

Per Article III, RFP Overview, Proposers are required to hire a local subcontractor(s) to perform labor that equates to a minimum of fifteen percent (15%) of the total construction cost for the Project. A combination of local subcontractors may be utilized to reach the required minimum of fifteen percent (15%.)

Proposers will need to submit a City of Delray Beach Business Tax Receipt for each local subcontractor to be utilized for the Project."

Material costs will not count towards satisfying the Local Hiring requirement stated in the RFP.

32. **Section G of Article IV mentions that "Documentation shall be provided to state which local subcontractors will be utilized..."**

- a. **First, what type of documentation is required. Do we need to just list the proposed subcontractor or do we need to get something like a letter of intent from them?**

A statement containing the required information listed in Article V, "Submittal Requirements", Section 7, "Local Hiring" of the RFP, from the Proposer along with a City of Delray Beach Business Tax Receipt for each local subcontractor to be utilized for the Project is all that is required to be submitted with a Proposal.

- b. **Secondly, since the provided drawings are conceptual, there is no way to agree on firm prices at this stage which could lead to disagreements regarding pricing later on when the construction drawings are developed. The question is in this case, or for another circumstance, can the subs be replaced after the award with another local sub?**

Yes. Please see Answer to Question 29.

33. **Floor plans on Architectural drawings show wall types A, B, C. However, there are no details pertaining the wall types anywhere on the drawings. Please provide.**

Within Exhibit A, "Architectural Renderings, Floor Plans, Site Plan", Sheet A9.00 for each Model contains the information for the wall types.

Additionally, the wall types are as follows:

A1 – STUCCO OVER CMU/EPOXY AT INTERIOR GARAGE

- A2 – EPOXY OVER CMU AT INTERIOR GARAGE/GYP BOARD AND INSULATION AT DINING AND KITCHEN
 - A3 – CEMENT BOARD PANELS OVER CMU/GYP BOARD AND INSULATION AT INTERIOR
 - A4 – STUCCO OVER CMU/GYP BOARD AND INSULATION AT INTERIOR
 - A5 – STUCCO OVER CMU/GYP BOARD AND FURRING AT INTERIOR
 - A6 – EXTERIOR WOOD FRAMING WITH INSULATION AND STUCCO (AT ROOF)
 - A7 – INTERIOR WOOD FRAMED WALL WITH GYP. AND TILE AT BATHROOMS/KITCHEN
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34. **Section 3 of Article V mentions a “detailed and thorough plan as to how the twenty (20) single family homes will be developed and constructed”. What are the requirements for the mentioned plan? Would a project time schedule plus a narrative of the different construction stages be sufficient?**

The minimum requirements are stated within Article V, “Submittal Requirements”, Section 3, “Project Overview, Development, and Construction Plan” of the RFP.

As stated in that Section, “[t]he Proposer shall provide all aspects of the development and construction plan, including, but not limited to the proposed utility locations, proposed design and square footage of the homes, and proposed interior and exterior materials and design features of the homes. The Proposer should include proposed architectural renderings, home floor plans, and a site plan for the homes to be constructed. The Proposer should include any and all information they believe would be beneficial for the Evaluation Committee to consider when reviewing the Proposer’s Proposal.”

Full construction documents are not required to be submitted with the Proposal, but, if available, may be submitted.

35. **In Section 3 of Article V, it is mentioned that the Proposer should include proposed architectural renderings, home floor plans, and a site plan for the homes to be constructed.**

a. **Are they to be submitted with the response to this RFP or after award? If the former, would a statement indicating that the Proposer chooses to incorporate CRA’s Architectural plans meet this requirement?**

Please see Answer to Question 34.

If a Proposer is utilizing the CRA’s Architectural Plans, in part or in whole, the Proposal should articulate how the CRA’s Architectural Plans will be utilized – See Article V, “Submittal Requirements”, Section 9, “Optional Tasks”, Sub-Section 9(a), “Incorporation of CRA’s Architectural Plan” of the RFP.

b. **Last, if the Proposer chooses to incorporate CRA’s Architectural plans, can those designs be used free of charge? Is there any copyright on them?**

There is no charge to the Successful Proposer to use the CRA’s Architectural Plans.

36. **Exhibit E: Project Cost Analysis and Construction Costs sheet provided shows columns for the cost of houses types A and B, but what happens with Types C and D? Should columns be added to that sheet for the missing house types?**

Please utilize additional sheets as necessary to accommodate all models and variations of houses contained within a Proposal. Please only change the name of the column on the additional sheets to accommodate the additional models and variations of houses.

Exhibit E has been updated to reflect a row to add the cost of the land and the updated Exhibit is included to this Addendum #1.

37. **Existing conditions:**

a. **Existing sidewalks, curbs, drainage catch basins are to remain?**

There is no requirement from the CRA that they remain. However, all City of Delray Beach Land Development Regulations and any other applicable regulation must be followed. Additionally, as stated in the RFP, The City of Delray Beach is currently undergoing a Streetscape & Utility Improvement Project in the Southwest Neighborhood (SW 3rd Court, SW 4th Street, SW 6th Street, and SW 7th Avenue), which includes improvements to utilities (water, sewer, drainage, lighting), alleys, sidewalks, installation of streetlights, and expansion of the City's Reclaimed Water System. More information can be found at <http://www.sw4thstreet.com>.

b. **Is there any existing underground utilities that may require capping and abandonment or full removal?**

The CRA is currently not aware of any underground utilities that may require capping, abandonment, and/or full removal. The Successful Proposer will have an inspection period prior to closing on the twenty (20) properties.

c. **Electrical poles and overhead lines running across the lots would be removed/relocated by the electrical utility company?**

Coordination of all overhead utility removal and underground utility installation with the utility companies shall be performed by the Successful Proposer.

38. **Looking at the RFP, on page 13, Section F, Home Pricing Requirements, states that the houses must be priced to sell according to Palm Beach County's Workforce Housing Program. There is a schedule on their website that shows the sales price for each income level, but there is no indication as to what square footage is assigned to each sales price/income level. Please advise if there is actually a size range assigned to each income level.**

No. However, per Article V, "Submittal Requirements", Section 3 "Project Overview, Development, and Construction Plan" of the RFP, all home models must be at least 1,300 square feet under air with a minimum of one (1) car garage (no carports.) Additionally, the homes must be developed, constructed, and priced to sell to include a proportional mix of buyers within the targeted income range of 51% - 140% of Palm Beach County Area Median Income.

39. **Looking at the RFP, on page 13, Section F, Home Pricing Requirements, there is mention of a timeframe that allows the homes to be restricted as workforce housing for the longest duration. Is that the same 15-year affordability restriction period established on Palm Beach County Workforce Housing Program (WHP) Restrictive Covenant Requirements?**

Please see Answer to Question 26.

40. **Section 5, Article V: it is stated that the major cost items shall include, at a minimum, land costs and construction costs, but no info is provided as to the land cost. Please provide.**

The cost of the twenty (20) vacant lots shall be included as part of a Proposer's Proposal as the Proposer's offering price. Please see Article V, "Submittal Requirements", Section 5, "Offering Price & Development Costs" of the RFP:

"The Proposer shall state their offering price and terms for their acquisition of the twenty (20) properties referenced in Section III, RFP Overview. The offering price and terms should include the terms of payment, the anticipated closing date, and any conditions, contingencies, and additional requirements that affect the purchase.

The Proposer must submit a total Project Cost Analysis and Construction Costs (Exhibit E) stating, by category, the major elements of the Project and development fees. The major cost items shall include, at a minimum, land costs and construction costs."

41. **Where do we include the cost of the land on Exhibit E?**

Exhibit E has been updated to provide for the cost of land. The Exhibit is included with this Addendum #1.