



CITY OF HOUSTON

Housing & Community Development Department

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March 26, 2019

Subject: Letter of Clarification No.2 CHDO Single-Family Home Development

Reference: Request for Proposal No.: T28889

To all Prospective Proposers:

This Letter of Clarification is issued for the following reasons:

- To answer the following questions:

1. Question If you have a builder for your organization the cost to build is \$160,000. Does that include the GC's fee?

Answer Yes. *The Developer's Fee is 15% of total development cost which is separate from the \$160,000.*

2. Question Does a developer have to be considered a Community Housing Development Organization (CHDO) to qualify for the recent RFP for Single Family Housing or does any CDC qualify?

Answer YES a developer has to be certified as Community Housing Development Organization (CHDO). NO, CDC designation by itself does not meet the guidelines as a certified CHDO. However, the organization can apply for certified CHDO status at the time of submitting their RFP. This will require successfully completing the CHDO Pre-Certification Application (Attachment IIA).

3. Question Housing must be built in City of Houston does that include TIRZ area?

Answer *Housing must be built in one of the eleven City Council Districts. See the map at: <https://www.houstontx.gov/council/maps2016/alldistricts.pdf>
To find out if the address is in a City Council District, enter the address at: <https://www.houstontx.gov/council/whoismycm.html>*

4. Question We are a designated CBDO. Does a CBDO meet the general eligibility requirements and is thus able to apply for the CHDO RFP#28889, for CHDO Single Family Home Development?

Answer NO, CBDO designation does not meet the specific eligibility requirements of the CHDO. See Question 2 answer for further clarification.

5. Question I have a question, page 9 of the RFP says below are approximate construction cost for the development of Option A, B, C units. A) When submitting our proposal are we required to include 3 different configuration options, roof styles and front elevations with the proposal at this time or can that be submitted after the award? B) Will One floor plan per option with exterior elevation be accepted?

Answer

YES, each proposal is required to include 3 different configuration options, roof styles and front elevations at the time of the proposal. YES, one floor plan per option with exterior elevation is acceptable.

In addition, please see the CHDO Single Family Home Development Application (Attachment 1). Carefully note TAB 3 PROPOSED PLAN on page 6; under number 4 is the following:

For each unit-type provide a narrative that discusses floor plans, elevations, and amenities including required lot sizes, square footage, and green improvements. Complete TAB 3.A for each unit-type. Attach a copy of the floor plans, and front exterior elevation for each proposed unit type which reflects the exterior building composition.

TAB 3.A UNIT TYPE AND AMENITIES is provided on page 7. CHDO Respondents are instructed:

Complete this form for each proposed unit-type. This worksheet may be duplicated and inserted behind each worksheet if more than one unit-type is proposed. Each unit-type must be included and reconcile with the Development Cost Schedule. See number 5 for the detailed requirements.

Kindly note, a careful review of the CHDO Single Family Home Development Application (Attachment 1) is critical prior to developing a response to RFP T28889

6. Question For Pier and Beam foundation can we use ICF - Insulated Concrete Forms for raised elevations vs pier and beam with cinder blocks? They are energy efficient and meet the standards for resiliency enhancements?

Answer

Many of the decisions that go into an appropriate foundation design have to do with things like site conditions (soil type, distance to bed-rock, piling type wood vs concrete), as well as the type of structure being supported, how big it is, how tall it is, etc.

After Hurricane Harvey in 2017, Mayor Turner issued a mandate that all houses built using City (federal and local) funds must be on a pier and beam foundation. These piers are to be drilled down to the recommended depth by a licensed state of Texas structural engineer, with pier caps and an engineered treated wood floor framing system. The final design may vary but all pier and beam foundations must be designed by a licensed engineer based on the geotechnical report (soils test). Generally, FORTIFIED requires that foundations and the rest of the load path be designed by a Professional Structural Engineer, the Housing and Community Development Department does not have limitations or requirements on the systems that they use in their design.

7. Question Will the City buy the land for CHDO to build 14 houses? The cost is \$195,000 for the land, the road cost is \$95,000, and the underground water and sewer cost \$60,000?
- Answer *NO. Please see CHDO Single-Family Home Development Guidelines, Land Acquisition From Houston Land Bank. "The Houston Land Bank (HLB) has vacant lots that can be purchased by CHDO Developers selected to participate in the CHDO Single-Family Development Program. The purchase price for each lot will be set at a nominal amount. HLB will acquire the properties for the development of new affordable single-family homes which will be constructed by CHDO Developers and sold to eligible homebuyers." Alternatively, Land Acquisition from CHDOs are eligible properties under HOME for construction as affordable residential single-family homes with prior approval from the Housing and Community Development Department.*
8. Question Providing Smart Home Technology is the absolute thing today. Will the CHDO single family home development account for this in the project?
- Smart Home Technology Allows Seniors to Age in Place. Providing peace of mind that loved ones are safe, smart devices are helping people age gracefully in their own homes. ... For this reason, many caregivers are exploring ways to enable the elderly to stay at home where they can age with dignity and grace. Being able to provide voice activation for lighting or via smart devices, wifi ring security camera's via cellphone or computer, Smart Lock, Alexa, controlled temperature via phone or computer, usb outlets in the home will make the CHDO home efficient and accessibility integrated to best assist with homes.
- Answer *Each CHDO Developer will determine the scope of value-added project amenities based on their product design and homebuyer marketing strategy. Please note 24 C.F.R. § 92.254 (a)(2) requires the housing must be modest. The overall strategy is to design resilient "non-luxury, suitable amenities" housing; and "good quality, reasonably priced" housing, that is affordable to persons and families that are low or moderate income.*
9. Question Do the CHDOs put 15% developer's fee on top of construction budget or in construction budget?
- Answer *The developer's fee of 15% is added to the total construction cost. The developer's fee of 15% is separate from the total construction cost. For example, if the total construction cost is \$160,000 the development cost is \$184,000. The 15% developer's fee of \$24,000 is added to the development cost.*
10. Question Do you have a word copy of the CHDO RFP T28889?
- Answer *Yes; however, the RFP is advertised in PDF form. The SF Home Development Application (Attachment I) is in Microsoft WORD. This is the document that requires a formatted response.*

This Letter of Clarification will be considered part of the solicitation referenced on the first page of this document.

Furthermore, it is the responsibility of each PROPOSER to obtain any previous Letter(s) of Clarification associated with this solicitation.

A handwritten signature in black ink that reads "Tywana L. Rhone". The signature is written in a cursive style with a large, looping initial 'T'.

Tywana L. Rhone
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