

County of Fairfax, Virginia

A D D E N D U M

DATE: March 9, 2012

ADDENDUM NO. 2

TO: ALL PROSPECTIVE OFFERORS

REFERENCE: RFP200000125

TITLE: Crescent Apartments Property Redevelopment

DUE DATE/TIME: April 30, 2012 @ 4:00 P.M. EST

<u>Refer to Attachment 2</u> for the answers to questions received after the issuance of Addendum 1; and, during and following the pre-proposal conference held on Thursday, March 1, 2012.

All other terms and conditions remain the same.

for Sandy K. Benfit, CPPB Contract Specialist Supervisor, Team 1

THIS ADDENDUM IS ACKNOWLEDGED AND IS CONSIDERED A PART OF THE SUBJECT REQUEST FOR PROPOSAL:

Name of Firm

(Signature)

(Date)

A SIGNED COPY OF THIS ADDENDUM MUST BE INCLUDED IN THE TECHNICAL PROPOSAL OR RETURNED PRIOR TO DATE/TIME OF CLOSING.

Note: SIGNATURE ON THIS ADDENDUM DOES NOT SUBSTITUTE FOR YOUR SIGNATURE ON THE ORIGINAL PROPOSAL DOCUMENT. THE ORIGINAL PROPOSAL DOCUMENT MUST BE SIGNED.

Attachment 2

- Q1. Please identify members of the Selection Advisory Committee (SAC) and provide their contact information.
- A1. The Fairfax County procurement process does not allow the release of SAC member information. All inquiries pertaining to this RFP shall be made to the DPSM Contract Specialist Sandy K. Benfit, CPPB at <u>Sandy.benfit@fairfaxcounty.gov</u> or 703-324-8411.
- Q2. Please identify members of the Jones Lang LaSalle (JLL) team, and provide contact information.
- A2. All inquiries pertaining to this RFP shall be made to the DPSM Contract Specialist Sandy K. Benfit, CPPB at <u>Sandy.benfit@fairfaxcounty.gov</u> or 703-324-8411.
- Q3. RFP10-163967-32 Section 13 outlines Proposal Evaluation Criteria. Are these criteria weighted?
- A3. No.
- Q4. The site is designated a Commercial Revitalization Area (CRA) and therefore allows for facilitated administrative procedures for development review and concurrent Comprehensive Plan (the Plan) amendments with zoning applications and for special zoning ordinance provisions related to parking and signage. Please describe the particulars of what the CRA designation provides with regards to administrative procedures. What are the specific advantages they offer development partners which would not be possible without the CRA designation?
- A4. The site is located within the Lake Anne Village Center (LAVC) CRA. For a complete overview of CRA administrative procedures, and designation benefits, download the <u>Overview of Planning, Zoning & Development Review Process Within CRD/CRAs</u> booklet. (<u>http://fcrevit.org/publications/download/DevelopmentInCRD_CRA.pdf</u>).
- Q5. What are the terms of the contract with Quantum Real Estate Management?
- A5. Go to the Fairfax County Contract Register at, <u>http://www.fairfaxcounty.gov/cregister/ContractResultList.aspx?vendorName=&filterType</u> <u>=Contains&contractNumber=4400001199&contractType=&contractFY=&commodity=&N</u> <u>IGPCode=&orderBy=2&buyerCode</u> to view the <u>Property Management and Maintenance</u> <u>Services for Affordable Apartment Communities RFP</u>, and <u>Acceptance Agreement</u> which identifies the terms of the Quantum Real Estate Management contract.
- Q6. What is the current mix and size of the 181 units?
- A6. The current mix and size of the 181 units is:

No.	Туре	SF
38	1-Bedroom, 1-Bath	709
112	2-Bedroom, 2-Bath	921
7	2-Bedroom, 2-Bath	941
24	3-Bedroom, 2-Bath	1,164

- Q7. Please provide a current rent roll.
- A7. To view the Crescent Apartments current rent roll go to, <u>http://www.fairfaxcounty.gov/rha/rent_roll_crescent.pdf</u>
- Q8. What is the County's expectation for parking ratios? Will the County seek a minimum or maximum ratio?
- A8. Proposals must meet the minimum zoning requirements; however, when it is demonstrated by the applicant and determined by the Fairfax County Board of Supervisors (BOS) that a reduction is in furtherance of the goals of the LAVC as set forth in the comprehensive plan, the BOS may approve a 20% parking reduction. The County will also be encouraging shared parking among the various uses.
- Q9. Would the County consider a proposal which includes a provision of some portion or all of the Affordable Dwelling Units (ADU) and/or Workforce Dwelling Units (WDU) at another location within the County?
- A9. No.
- Q10. The Request for Proposal (RFP) prescribes an Area Medium Income (AMI) adjustment of 60% for ADUs. This does not appear to reconcile with Part 8 of the County's Zoning Ordinance. Which ratios prevail?
- A10. The 60% AMI level is specified for 70% of the 181 replacement units; however, the RFP requires additional affordability as specified on Page 14, Section 8.2.2 of the RFP. For non-replacement units, 20% of the new units are to be either ADUs or WDUs. To the extent that the housing product constructed requires ADUs, the ADU incomes specified in Sect. 2-800 of the Fairfax County Zoning Ordinance Zoning Ordinance (http://www.fairfaxcounty.gov/dpz/zoningordinance/articles/art02.pdf) for the unit type and form of tenancy (rental vs. for-sale) will apply. For WDUs, the income tiers are as specified in the Workforce Dwelling Unit Administrative Policy Guidelines (http://www.fairfaxcounty.gov/dpz/zoning/workforceduboardpolicy.pdf), and will be dependent on construction type and form of tenancy.
- Q11. Section 2.A of the County's *Workforce Dwelling Unity Administrative Policy Guidelines* establishes minimum gross floor areas (GFA) for WDUs. Do these figures also apply to ADUs? Is there a guideline for 3-bedroom units?
- A11. ADU unit sizes are specified on the Housing and Community Development website at http://www.fairfaxcounty.gov/rha/adu/specs-5-2002.pdf. The WDU guidelines are as set forth in the WDU Guidelines (http://www.fairfaxcounty.gov/rha/adu/specs-5-2002.pdf. The WDU guidelines are as set forth in the WDU (http://www.fairfaxcounty.gov/dpz/zoning/workforceduboardpolicy.pdf). There is no specified size minimum for a 3-bedroom WDU; however, a minimum of 900 square feet (SF) would be anticipated in the event that 3-bedroom units are provided.
- Q12. What is the County's stance for bonus densities allowable for each ADU and WDU? Does the total number of bonus units apply to the allowable total density, as permitted in the Comprehensive Plan and RFP?
- A12. The density recommendations specified in the Plan is inclusive of all available bonus density to offset the provision of ADUs and/or WDUs.

- Q13. Does the County have a sufficient demand for ADUs and WDUs to fill 100% of the units at the maximum ADU and WDU rents, or is the demand for these units below supply, and therefore the potential rents would actually be below the allowable maximum?
- A13. Given the strong rental market, it is anticipated that there is sufficient demand to fill 100% of the units at the specified ADU/WDU rents.
- Q14. Define the Consolidation Option vs. Redevelopment Option.
- A14. Under the Comprehensive Plan, full consolidation and coordinated redevelopment of Land Units A, D, and E offers extra density and flexibility such that the development potential of each land Unit can be located anywhere within the three Land Units to best suit the proposed redevelopment.

Under the Redevelopment Option, if consolidation of Land Units A, D and E is not achievable, partial consolidation of these and/or the other land units is encouraged to effect a consolidation of a logical and of sufficient size to achieve a well-designed layout that does not preclude the development of unconsolidated parcels in conformance with the Plan.

Neither option includes the residential units in Land Unit F or the approximately 40,000 SF of commercial space currently existing within the Washington Plaza.

- Q15. Is there an alternative to parcel consolidation in which the *Full Consolidation Option* recommendations may be considered?
- A15. Coordinated development plans are an alternative to actual parcel consolidation. Coordinated development plans refer to two or more concurrent and contiguous development applications that demonstrate coordinated site design, including coordination of building locations, urban design, open space amenities and signage, inter-parcel pedestrian access and vehicular access. When coordinated development plans are submitted, the Full Consolidation Option recommendations may be considered.
- Q16. Regarding Full Consolidation and Redevelopment, must all three Land Units A, D, and E be included?
- A16. The ideal scenario would include consolidation and coordinated redevelopment of Land Units A, D, and E (See A14 and A15, above); however, as some land owners may not be willing or able to participate, the County will consider creative solutions of lesser consolidations that meet the intent of the Plan.
- Q17. Has consolidation been tried before by the County?
- A17. No.
- Q18. Are the stakeholders aware of the RFP and that the Plan language calls for consolidation?
- A18. Yes.
- Q19. There have been several studies of the LAVC CRA. Are the studies available to the public, and are they online?
- A19. Yes. Go to, http://fcrevit.org/lakeanne/studies.htm

- Q20. Is the County looking to profit from the redevelopment of the Crescent Property?
- A20. The County purchased the Crescent Apartments Property to assist in the revitalization of the LAVC and to preserve affordable housing options. The County is looking to receive a fair market return on its' investment.
- Q21. When is the Crescent note due? What type of financing will be available (e.g., Bond Financing, and/or Tax Credits)?
- A21. The balloon payment on the current 5-year note is due in March 2013; the County may refinance the note if need be. Should the developer seek tax-exempt bond financing, the FCRHA can issue bond financing which can be complemented with 4% tax credit equity for the affordable housing portion of the project.
- Q22. Does the 20% apply to both ADU and WDU?
- A22. The combination of ADUs and WDUs is to total 20% of the total unit count, exclusive of the 181 replacement units.
- Q23. Does the 20% apply to independent living?
- A23. Yes. The Zoning Ordinance requires that not less than 15% of all independent living facility units are provided as ADUs and the Comprehensive Plan policy would recommend that an additional 5% of the independent living facility units are provided as WDUs, for a total of 20% of the total unit count.
- Q24. Is the County willing to offer parking reductions?
- A24. See A8, above.
- Q25. Is the baseline a ground lease?
- A25. The County anticipates a long term ground lease for a rental product, but, based on the merits of the proposal, will consider combination of a lease/or sale, or sale of the property.
- Q26. What kind of community outreach has been done in the past and in the future?
- A26. The community has been engaged throughout the process (e.g., studies, plan amendment, etc.). A public meeting was held on February 8, 2012, to announce the RFP and to provide Crescent residents, property owners and stakeholders an opportunity to ask questions. The Crescent residents will receive periodic updates on the status of the redevelopment. As required under the RFP, proposals should include a Community Outreach program.
- Q27. When and how much did the County pay for the Crescent Property?
- A27. In 2006, the County purchased the property for \$49.5 million.
- Q28. What will the impact fees be?
- A28. The County does not have any impact fees. Developers should presume that they will need to provide typical proffered commitments with any rezoning of the property.

- Q29. What is the relocation plan for Crescent residents, and what will be the cost of relocation?
- A29. Developers will be required to provide housing solutions which accommodate residents with referrals to comparable permanent housing; and, provide moving expenses and advisory services during the relocation process. A relocation plan must be submitted by the developer and approved by the County before any redevelopment would be allowed to take place. Any costs associated with the relocation of existing residents shall be paid by the developer in accordance with the Fairfax County Relocation Guidelines. To view the Relocation Guidelines go to,

http://www.fairfaxcounty.gov/rha/ffx county relocation guiderev 2010.pdf

- Q30. A project the size of the Crescent Apartments Redevelopment often requires creating a photographic record. It is usually described as "progress photography" but is more about creating visual evidence by a neutral party in case of schedule slippage. In some cases, before/after type images are created to create a historic record. Since I have not seen references to photography in the RFP, do you expect to see this topic covered in proposals.
- A30. This is not a requirement of the RFP.
- Q31. I see from the RFP that Land Unit F is excluded from redevelopment. From a planning standpoint, it is the core feature of the neighborhood. Why has this land unit been excluded from redevelopment? Are there any concurrent plans to redevelop Land Unit F?
- A31. Land Unit F is the core of the Lake Anne Historic District and, as such, the planning objective is preservation and not redevelopment.