

**CITY OF ARLINGTON**

**RFP/BID NUMBER 07-0137**

**High Oak Terrace Redevelopment Project**

**ADDENDUM #3**

**DATE ISSUED: March 26, 2007**

**RFP/BID Number 07-0137 provided for questions or requests for clarification to be received by staff through March 19, 2007. The following is provided in response to questions received.**

**Question 1:** Can the City provide clarification about the precise acreage of the combined lots.

Response: To clear up the apparent discrepancy between the acreage identified in the legal description of the property and the acreage reported on the Tarrant County Appraisal District (TAD) records, the City ordered a boundary survey of the property offered (see Addendum #2 to the RFP/BID 07-0137 issued March 23, 2007). Addendum # 1 and # 2 are posted on the project web site and on DemandStar. When completed, the availability of the survey will be announced via the project web site.

**Question 2:** If the developer sells individual lots to builders, who will track the income of the persons that purchase the “affordable units”?

Response: City staff will maintain the responsibility of verifying the income eligibility of the purchasers of the 11 affordable units.

**Question 3:** On the Planned Development (PD) Checklist (Exhibit F), if the developer will be requesting a waiver of certain items, does the City’s waiver request/response need to be included?

Response: No, for purposes of the response to the RFP, the developer will need only to state that they intend to request specific waivers through the PD process and identify the type of waivers they intend to request.

**Question 4:** Is it correct that the City’s expectation is that the developer will acquire the property, assume the necessary risk of carrying the project through the City’s planned development process and build single family homes, complying with HUD’s requirement to create a minimum of 11 homes that will be made affordable to income eligible homebuyers?

Response: Yes.

**Question 5:** If seniors are targeted for the affordable units, how is their income calculated?

Response: The City is responsible to evaluate the gross annual income of prospective buyers of the affordable units. The gross annual income of the household members including income from employment, social security benefits, pensions, retirement and other

sources of income is included. The annual income computation also includes any income from assets.

**Question 6:** Can the City assist the prospective home buyers to purchase one of the affordable units?

Response: The City of Arlington administers a program that provides down payment and closing cost assistance to eligible homebuyers. The Arlington Homebuyers' Assistance Program's (AHAP) requirements for eligibility and an explanation of the affordability period required for this program is available on the City of Arlington web site at the following web address: <http://www.ci.arlington.tx.us/communityservices/grants/homebuyers.html>.

**Question 7:** How long will the purchaser of one of the affordable units be required to reside in the unit they purchased to satisfy the affordability requirements of the program.

Response: Affordability requirements only apply to the affordable units. There are no affordability requirements for the market rate units. The applicable affordability period will vary contingent on the type and amount of assistance provided to the purchaser.

1. Direct homebuyer assistance: If assistance is provided directly to the homebuyer (as in the case of the AHAP program), the affordability period is typically 5 years, however the actual affordability period is computed on a case by case basis.
2. No direct homebuyer assistance: If no direct subsidy is provided to the homebuyer (e.g.; through the AHAP program), the HOME funds invested are considered a developer subsidy. In this project, the affordability period would be computed based on the amount of HOME funds invested in each of the 11 affordable units. At present, the HOME investment allocated to 11 affordable units is approximately \$59,348 and would require an affordability period of 15 years.

The City of Arlington's investment of HOME funds invested in the unit will be secured by a second lien. In the case of direct homebuyer assistance, funds are provided in the form of a forgivable loan. The loan is also secured by a second lien on the property. The loan is a non-interest bearing loan forgivable over the affordability period. The loan does not require monthly payments and is forgiven incrementally over the affordability period as long as the purchaser remains in occupancy. At the end of the affordability period, the loan is completely forgiven and the lien is released. If the home is sold prior to the end of the affordability period, the purchaser is responsible to reimburse the City for the remaining portion of loan balance.

**Question 8:** Does the illustrative site plan map depicted in Exhibit A-1 take into account water and sewer lines? If so, are the maps of water and sewer lines available?

Response: Exhibit A-1 is provided as an illustrative summary of elements of the development suggested by neighboring residents. Exhibit A-2 provides a written summary of project recommendations and comments provided by neighboring residents. These recommendations are offered for developer consideration. Maps identifying the water and sewer mains are available through the City's map room, located on the first floor of City Hall, 101 W. Abram Street.

**Question 9:** Are the elevations shown on Exhibit A-1 reflective of the City's and community's desires?

Response: Exhibit A-1 and the narrative in Exhibit A-2 represent a consensus of neighboring resident's concepts and preferences for the High Oak project. The City seeks a qualified developer who will create a high quality development of single family homes that fits with the existing community. The City is not prescribing any specific design or strategy to accomplish this goal.

**Question 10:** Is the development budget, Exhibit H, available in MS Excel:

Response: Yes. Exhibit H is available in Excel format on the project web site at <http://www.ci.arlington.tx.us/communityservices/grants/highoakterrace.html>

**Printed Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Business Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Please direct all questions to:**  
Mindy Cochran, Grant Coordinator  
Community Services Department  
[cochranm@ci.arlington.tx.us](mailto:cochranm@ci.arlington.tx.us)  
817.276.6755