

FACILITIES MANAGEMENT DEPARTMENT 40 LAUREL HILL AVENUE, PROVIDENCE, RI 02909



ADDENDUM NO. 01

PROJECT: RFQ for Development Partner for the Revitalization of Dexter Manor and

New Construction of a Mixed-Use/Income Building on Parcel 41

DATE: November 12th, 2025

TO ALL BIDDERS OF RECORD:

This Addendum serves to modify, amend, and supplement a designated section of the REQUEST FOR PROPOSALS pertaining to the project titled "RFQ for Development Partner for Dexter Manor", dated October 20th, 2025. It is hereby incorporated by reference and shall hold the same binding authority as if fully integrated into the original document. The Proposer is tasked with incorporating the information contained within this Addendum No. 1 into their proposal submission documents. Furthermore, it is incumbent upon them to inform all subcontractors and suppliers intended for various aspects of the project of any alterations or adjustments outlined within this Addendum. Failure to acknowledge the contents of this Addendum will preclude any claims for additional compensation.

- 1. This Addendum forms a part of the Contract Documents
- 2. This Addendum includes:
 - a. Extension to the proposals Due Date
 - b. Modification to Response Evaluation Method
 - c. Clarification of APPENDIX A: Scope of Services: 3.0 PHA Role
 - d. Clarification of APPENDIX A: Scope of Services: 3.3 b) Developer Fee
 - e. RFI Questions and Answers

a. <u>Extension to the proposals Due Date</u>

Proposals will be received until 2:00 PM EST on Friday, November 21 December 5th, 2025. Proposers must deliver one (1) printed original, five printed (5) copies, and one (1) electronic copy of their proposal on a USB drive in a sealed envelope labeled "Development Partner – Dexter Manor and Parcel 41" and addressed to the attention of:

Providence Housing Authority Facilities Management Building 40 Laurel Hill Avenue Providence, RI 02909

Attn: Annette Malkhassian, Procurement Officer

b. Modification to Response Evaluation Method

7. Determination of Top-Ranked Offeror:

The points awarded by the evaluation committee will be forwarded to the Procurement Officer who will tally each of the scoring sheets to determine the highest score.

At the Procurement Officer's discretion, respondents within the competitive range may be invited to be interviewed by the Evaluation Committee. The interview will include a presentation by the respondents and a question/answer period. Interviews will be rated by the Evaluation Committee members on a scale of 1 to 20 (Interview Score). The Interview Score will be added to the total score, increasing the maximum total score for respondents interviewed to 120 points.

If the evaluation was performed to the satisfaction of the Procurement Officer, the final rankings may be forwarded to the Housing Authority Board of Commissioners (BOC) for approval at a scheduled meeting. Master Developer Agreement (MDA) negotiations may, at the Authority's option, be conducted after the BOC approval.

c. Clarification of APPENDIX A: Scope of Services: 3.0 PHA Role

PHA is embarking on a multi-year initiative to revitalize its 2,606 public housing units utilizing various HUD repositioning programs, low-income housing tax credits, and state and local funding. Over the next 12 to 24 months, PHA is committed to staff training and development related to ownership, operations, and management of LIHTC regulated properties. PHAs interest, subject to capacity building and training (with support from the selected development partner), is to be the owner/operator/managing agent/property manager of the completed Dexter Manor project; and is interested in responses that include PHA ownership and management responsibilities for the completed Parcel 41 project, although PHA ownership and management of the Parcel 41 project is not a submission requirement.

d. <u>Clarification of APPENDIX A: Scope of Services: 3.3 b) Developer Fee</u>

PHAs share of the developer fee for the Parcel 41 project shall be no less than 25% and commensurate with PHAs participation.

e. **Questions and Answers**

1. Will you be offering a site visit?

No. The RFQ is not requesting respondents to provide any early design or programming as part of a submission.

2. Is it possible to extend the submission deadline, given that there is only a month from release to submission?

Yes, the submission deadline is extended to Friday, December 5, 2025, by 2:00 pm EST.

3. Are you looking for only qualifications or a detailed design/construction approach to be included in the RFQ response?

A detailed design and construction proposal is not a requirement of the RFQ. Respondents are asked to submit qualifications as outlined in the RFQ along with a narrative of their development approach and strategy consistent with a public housing preservation project and which best meets the interests of PHA.

4. Could you share more information on the additional parcels that will be included with Parcel 41?

There are two parcels associated with this development, 100 Broad Street (the Dexter Manor property) and Parcel 41. There are no other parcels. All available information regarding Parcel 41 was provided in the RFQ. Additional information may be found in public records and at www.195district.com (as provided in the RFQ).

5. Can you share the purpose of the CNA provided in the RFP package? Was this prepared for internal capital budgeting purposes, or in preparation for a RAD transaction. In other words, does this CNA follow the HUD e-tool format and should RFP respondents rely on it for purposes of sizing both construction scope and the capitalized replacement reserve that HUD will require be funded at closing to cover 20 years of capital needs?

The CNA was prepared for internal purposes and provided as background only, it should not be relied on for either construction scope or replacement reserve estimates. A RAD compliant CNA will be required to match final programming and design of the project.

6. Can the housing authority provide a list of capital repairs made over the last three years?

Yes. Please download the file here.

7. Can the housing authority provide a list of capital projects budgeted for 2026?

Yes, Please download the file here.

8. Can the housing authority provide an existing appraisal?

No, an appraisal has not been completed.

9. We've been hoping to work in Providence for a while now but don't currently have a Rhode Island MBE certificate, may we include our Massachusetts certificate as part of our response?

Yes, certificates from other states would be accepted as meeting that objective.

10. We understand that you expect your development partner to fund predevelopment. The Authority is also looking to keep all extension rights for a 3-year development agreement. If development is progressing well but we have not started construction within 3 years, is there still a chance the Authority terminates the development agreement, and we lose our predevelopment funds?

Details regarding terminations, extensions, and reimbursement of pre-development spending will be negotiated as part of a Master Development Agreement (MDA). That said, assuming the selected development partner has made significant progress on the project(s) plans and financing applications, the MDA would be extended.

11. Do you recommend we assume that Dexter Manor will adhere to prevailing wages due to RAD, Section 18, or other HUD programming, and that Parcel 41 will not?

Dexter Manor would be subject to prevailing wages. The need for prevailing wages for Parcel 41 would be subject to sources of funding for the project, including any use of PBVs.

12. Is there a recent survey available for Dexter Manor?

No.

13. Will the PHA consider an application submission with a ROFR at fair market value based on a third-party appraisal?

PHA (and any to-be-formed non-profit entity) is a mission-oriented organization which expects to obtain full ownership of the Dexter Manor project (and if offered, the Parcel 41 project) once the tax credits have been fully claimed at or before year 15. PHA expects to pay the minimum purchase price allowable under IRC Section 42(i)(7), without delays. PHA expects that the selected development partner will collaborate in this regard with PHA, and PHAs counsel, in partnership discussions with equity investors.

14. Will the PHA consider an ownership structure where the co-developer is the managing member of the General Partner?

The RFQ asks respondents to propose terms and conditions, inclusive of PHAs role and responsibilities in the ownership structure, and inclusive of timing of the development partner's exit.

15. PIC's database indicates that Utility Allowances are \$20; however, the due diligence indicates all utilities are property paid. Can PHA please clarify the Utility Allowance structure?

Dexter Manor I rent includes both gas and electric, so there is no utility allowance. Dexter Manor II rent includes heat only. The tenant pays for electricity and is provided with a utility allowance of \$68 for 1-bdrm units and \$96 for 2-bdrm units.

16. Will the terms of the PILOT agreement / exemption remain the same going forward?

Discussions related to PILOT agreements for the completed projects have not been initiated.

17. What is the current scope of security at the property?

Are the 2 police / security guards

armed?

Dexter Manor has onsite security 24/7 (hours/day) weekly. The 7am-3pm and 3pm-11pm shifts are PHA employed guards. The 11pm-7am shift is an outside security company vendor NES Solutions (NESS). They are not armed.

Additionally, the Providence Police Department (PPD) has 1 uniformed Sergeant and 4 uniformed officers assigned to the Public Housing Unit. They mostly work 5pm-1am but sometimes come in early to address issues with security and management. PHAs staff meet with PPD daily.

18. Is the PHA committed to the staffing plan from the 2026 Budget, or will it consider reductions in payroll?

PHA will work with the selected development partner to determine an appropriate staffing plan for the completed project.

19. Will the PHA consider using a third-party management company that has LIHTC and HUD experience?

Yes.

20. Data Requests

- Current rent roll Please download the file here.
- T12 Not available at this time
- 2024 Audit Please download the file here.
- 2023 Audit Please download the file here.
- 2022 Audit Please download the file here.
- Payroll schedule Not available as part of this RFQ.
- Current Property Management Agreement Not applicable.
- Commercial/Warehouse lease Not applicable.
- **PILOT Agreement** Please find <u>here</u> the most recent Cooperation Agreement between the City of Providence and the Housing Authority.
- Historical Tax bill Please refer to information provided regarding PILOT / Cooperation Agreement

21. Exhibit 3 questions:

• What is line item 24-25 "grant income"?

Annual federal operating and capital improvement subsidy that PHA receives for its

public housing (ACC) portfolio.

• What is line item 79 "Other Admin Exp (45/50 Laurel Hill Rents)" expense of \$22,000?

Dexter Manors prorated expenses to cover costs at other management offices and warehouse facilities of PHA.

What is line 103 "utility labor" expense of \$37,956?

The cost of maintenance salary as it relates to HVAC/Heating systems.

• What is line 104 "utility fridge benefits" expense of \$21,405?

The cost of maintenance benefits as it relates to HVAC/Heating systems.

What is line 117 "Other Utility Costs (Ameresco) expense of \$5,000?

Dexter's portion of the annual service fee for PHAs energy performance contract.

• What is line 168 "Security Expense Other" expense of \$40,000?

Third party security contractor.

What is line 209 "OPEB Cost" expense of \$75,000?

Other Post Employment Benefits (OPEB) - This expense covers a medical plan for the lifetime of a retiree hired before 7/1/2000; this program was discontinued in 2015. The expense is applied to the location/cost center where that retiree was employed at the time of hire.

NOTICE TO ALL CONTRACTORS

Failure to acknowledge receipt of this addendum on the proposal form may, at the sole discretion of the Owner, serve as justification for proposal rejection.

END OF ADDENDUM NO.1 www.provhousing.org