

Dalton-Whitfield Joint Development Authority
Request for Proposal (RFP)
For
Hamilton Street Workforce Housing Initiative
Project

For inquiries about this RFP, please send an email to rfp@daltonchamber.org . Your message will be forwarded to Carl Campbell, Allyson Coker, and Anna Adamson. One of us will respond to inquiries as soon as possible.

Released On: **April 3, 2024**

Active until End of Day **May 3rd, 2024**

1. Purpose of Procurement:

This request for Proposal (RFP) is being issued to establish a contract with a qualified developer(s) who will build out the proposed neighborhood following the guidelines set forth in the RFP.

2. General Information: This project is designed to create an infill development to provide quality, affordable housing to the workforce of Greater Dalton on a property that was city owned. This property is bordered by Hamilton Street, Nichols Street, and Cherokee Street and sits just south of Walnut Avenue and east of Thornton Avenue. This property has now been deeded over to the Dalton-Whitfield Joint Development Authority (DWJDA) for the purpose of this project. The DWJDA is working with the city of Dalton (City), Believe Greater Dalton from the Greater Dalton Chamber of Commerce (BGD), and the Flooring Capital Development Corporation (FCDC) to make this project come to fruition. Staff from DWJDA, BGD, and the city of Dalton have worked with the Georgia Department of Community Affairs (DCA) to obtain a state grant to lower the cost of infrastructure for this development. Some of the guidelines developed in this RFP are a result of the restrictions put on the project by DCA. All guidelines are mandatory unless stated otherwise. The FCDC board will review proposals and select a developer.

3. Schedule of Events:

The schedule of events outlines the timeline for the RFP process, beginning and ending times for the project, and close out procedures for the grant.

3.2 This RFP will be posted on the Georgia procurement clearinghouse website for review on April 3rd, 2024.

3.3 Any questions regarding this RFP must be submitted by April 19th, 2024 to the rfp@daltonchamber.org email address.

3.4 All responses to questions will be posted on the procurement clearinghouse website by April 26th, 2024 if not sooner.

3.5 Posting will run on website until May 3rd, 2024.

3.6 Developers interested in presenting a proposal to the voting board must send an email to rfp@daltonchamber.org no later than May 3rd. Scheduling for presentations will be coordinated with you by email. Please provide an email address and phone number for scheduling.

4. Contract Term:

It is expected that the project will be complete in 36 months from the start of home construction to a Certificate of Occupancy of all homes. This includes the time for the infrastructure installation effort.

5. General Business Requirements:

This section dictates that anyone submitting a proposal for this project agrees to comply with all of the identified requirements of the project, and that all costs for complying with the project are the responsibility of the developer(s).

6. Standard Insurance Requirements

If awarded a contract, the supplier shall provide proof of insurance which shall protect the developer, the city of Dalton, The Dalton-Whitfield JDA, the entities of the Greater Dalton Chamber of Commerce (BGD and the Flooring Capital Development Corporation) from any claims for bodily injury, property damage, or personal injury throughout the duration of the contract. The supplier shall procure and maintain the insurance policies described below at the supplier's own expense and shall furnish the covered parties an insurance certificate listing them as certificate holder and as an additional insured. The insurance certificate must document that the Commercial General Liability insurance coverage purchased by the supplier includes contractual liability coverage applicable to the contract. In addition, the insurance certificate must provide the following information: the name and address of the insured; name, address, telephone number and signature of the authorized agent; name of the insurance company (authorized to operate in Georgia); a description of coverage in detailed standard terminology (including policy period, policy number, limits of liability, exclusions and endorsements); and an acknowledgment of notice of cancellation to the State Entity.

The supplier is required to maintain the following insurance coverage's during the term of the contract:

Standard Insurance Limits for Goods and Ancillary Services

Workers Compensation (WC): Statutory Limits – required in all contracts:

| | |
|--|------------|
| Bodily injury by Accident –each employee | \$ 100,000 |
| Bodily injury by Disease – each employee | \$ 100,000 |
| Bodily Injury by Disease – policy limit | \$ 500,000 |

Commercial General Liability (CGL):

| | |
|---|--------------|
| Each Occurrence Limit | \$ 1,000,000 |
| Personal & Advertising Injury Limit | \$ 1,000,000 |
| General Aggregate Limit | \$ 2,000,000 |
| Products/Completed Ops. Aggregate Limit | \$ 2,000,000 |

Automobile Liability

| | |
|-----------------------|--------------|
| Combined Single Limit | \$ 1,000,000 |
| Umbrella Liability | \$ 2,000,000 |

Additional Insured: The vendor shall add the "City, DWJDA, and BGD, its officers, employees and agents" as an additional insured under the commercial general, automobile and umbrella liability policies.

Additionally, under Georgia law, if a project exceeds \$100,000, the offeror must submit a 5% bid bond and if awarded the contract, must supply performance and payment bonds for 100% of the

contract or project costs. The cost of issuance for these bonds is the responsibility of the developer awarded the project. The winning developer will also be required to participate in the E-Verify program since this project involves the physical performance of services.

7. Instructions to Offeror:

7.1 Failing to Comply with Submission Instructions

Responses received after the identified RFP schedule due date and time or submitted by any other means will not be considered. Only emailed responses to the parties listed on the cover of this document will be accepted. Incomplete documents will not be considered.

7.2 Costs for Preparing Responses

Each supplier's response should be prepared simply and economically, avoiding the use of elaborate promotional materials beyond those sufficient to provide a complete presentation. The cost for developing the response and participating in the procurement process is the sole responsibility of the supplier. The City, DWJDA, Flooring Capital Development Corporation or entities of the Greater Dalton Chamber of Commerce (BGD) will not provide reimbursement for such costs. Please carefully review all information contained in the RFP, including all documents available as attachments or available through links. Any difficulty accessing or opening provided links or documents should be reported immediately to the Procurement Agent listed below.

7.3 Preparing for your presentation:

1. Please propose any questions you have prior to the question submittal deadline to the email addresses on the cover of this document. Doing so will allow for the answers to be shared with all interested parties.
2. Plan on having 45 minutes for your presentation time. This will include question time from the panel. Proofread your materials for accuracy and make sure it is readily understandable.
3. Label all files that you plan to leave with the voting board so that they can be easily paired with your response. Printed documents are not required but allowed.
4. PowerPoint presentations are allowed, but not required. Please bring presentations on a thumb drive and be prepared for us to save a copy of the file for later review.

8. Cost Proposal:

Please outline the following as a part of your proposal.

1. Projected buildout cost for each home in the submitted plan set.
2. Proposed finishes / quality for interior finishes including flooring, cabinets, countertops, faucets, and fixtures.
3. Proposed sales price for each plan set, including realtor commission, and profit margin on homes included in the submitted plan set. **Note:** Profit is not seen as a negative thing here, we just want to make sure you will have the ability to be successful with this project while still meeting the price guidelines for the project.

9. Contract for home sales

Please provide a sample contract that will be used for all home sales. This contract must have the following stipulations:

1. Requirements for owner occupancy of the home, unless purchased by a cash buyer to help set comparable prices to assist in the home loan effort for prospective buyers. (See #3 below)
2. Limitation requiring that if owner sells within the first 30 months of ownership, sales price must be capped at 10% over original price not counting realtor commission or closing costs. There are no restrictions after 30 months of ownership.
3. In the event of cash sales for setting comparable prices for loan purposes, the first owner can sell within the first 30 months with a 10% cap over original purchase price (not counting realtor commission and closing costs) and must agree to sell the home after 36 months and before 48 months of ownership to allow renter to conclude annual lease.
4. Cash buyers (see #3) are limited to one home per owner with a limit of 6 homes (2 per size category) in total for the development.

10. Other notes, requirements, and information:

A grant has been awarded to help with the costs associated with the construction of roads, water, sewer, and sidewalk infrastructure. There is **\$1,500,000** from the state of Georgia, and **\$622,300** from the city of Dalton. This money will be used on the infrastructure to cover as much of the costs of that effort as possible. The land will be included in the deal; however, it may not be fully prepared for the home construction. Any finish grading required on the home sites once infrastructure is in place is the responsibility of the developer. All utility connections between individual houses and city provided infrastructure will be the responsibility of the developer as well. Having land, streets, and infrastructure included at no charge to the developer is intended to allow the developer to complete a profitable project while providing low-cost home ownership for the workforce of our community.

It is required that all home sales be carried out by a realty professional, whether that person works for the developer or a realty company. It is suggested that the terms of this agreement or sales arrangement be formalized prior to submitting an RFP and included with this submission. Sales commissions could have a direct impact on the developer's ability to meet the pricing guidelines for this development, so this is a very important component of the project.

This development is designed for 40 homes and all 40 homes must be built and delivered in a timely manner of 36 months. Home sales must fall into the following categories. There shall be a minimum of four (4) 1-bedroom homes, (20) 2-bedroom homes, and twelve (12) 3-bedroom homes priced at \$290,000 or less. The other 4 homes can be the size and plan of the developer's choosing (must come from the house plan sets provided).

All homes constructed in the development must come from the set of approved plans provided for this project. The developer may choose to build as many homes from the provided plan sets as they wish inside of this development without needing a new set of plans for each home. These plans may not be used outside of this development without permission from the architect (Kronberg Urbanist Architects). It is required that at least one of each home plan provided be built in the development. Landscape guidelines provided by Kronberg Urbanists + Architects are also a requirement of the development. Exterior home colors must be from the provided color palette for exterior siding and trim.

The neighborhood development must have an HOA operated by the developer or a third party that is contracted by the developer. The HOA will be responsible for the maintenance of common areas. This will include, but is not limited to alleys, walkways, mail / bike kiosks, common green space, etc. Developer should describe experience in setting up HOAs for other developments and demonstrate their ability to maintain the look and feel of the neighborhood into perpetuity. Neighborhood streets will be public, and therefore city trash pick-up will be an included amenity for the development.

This neighborhood development has been designed to comply with the regulations set forth in the UPUD zoning category. All residents living in this development will be required to follow the regulations of the UPUD into perpetuity. Sales contracts should provide buyers with a copy of the UPUD language so that they are aware of restrictions on further modification of the properties. The UPUD language can also be found in the zoning code verbiage found on the Whitfield County website. The plat plan follows all requirements in the code, and the future homeowner cannot make changes to their property that violate the zoning code.

In order to complete this project, the developer will need to be able to handle a \$8 million to \$10 million dollar construction loan. The developer should be prepared to share financial information that will show adequate credit to do complete this project through conventional construction financing.

All developers must be licensed contractors, and all federal, state, and local regulations must be followed. Contractor credentials must be presented as part of the submission to this RFP.

Submissions shall be reviewed for completeness, alignment with cost parameters, and experience. The Director of FCDC, at the Director's sole discretion, may require any proposer to augment or supplement their proposal to meet the plan guidelines and objectives. Prospective developers should plan to meet with the FCDCs designated representatives for an interview to further describe the Proposer's qualifications and capabilities.

The FCDC board intends to select one developer for this project.

The FCDC board reserves the right, at its sole discretion, to reject any proposal that is incomplete or unresponsive to the requests or requirements of this RFP.

The FCDC board reserves the right to waive and accept any informality or discrepancy in the proposal or the process as may be in the project's best interest.

It is the intent of the DWJDA, The City of Dalton, The Greater Dalton Chamber of Commerce (and it's entities), through this RFP to establish to the greatest possible extent complete clarity regarding the requirements of both parties to the agreement resulting from the RFP.

Basis for Award, Evaluation Criteria and Questions:

- The selection committee is not obligated to accept any proposal if deemed not in the best interest of the project & community to do so. The committee shall make an award to the qualified proposal responder based on proposals and responses to this RFP.
- Failure to include in the proposal all information outlined herein may be cause for rejection of the proposal.
- The committee reserves the right to accept or reject any proposals, in whole or in part, that is deemed to be in the best interest of the project at its sole discretion.
- The committee reserves the right to waive any informalities or irregularities in proposals.
- The committee reserves the right to negotiate separately the terms and conditions of any part of the proposals as deemed to be in the project's best interest at the committee's sole discretion.
- Information and/or factors gathered during interviews, negotiations and any reference checks, and any other information or factors deemed relevant by the committee, shall be used in the final award. The final award of a contract is subject to approval by the Dalton Whitfield Joint Development Authority and the City of Dalton.
- The City of Dalton, the Dalton-Whitfield Joint Development Authority, and The Flooring Capital Development Corporation assume no liability for any costs incurred in preparing or submitting any proposals.

Vendor Proposal Guidelines

Failure to sell all homes at or below \$290,000 will result in forfeiture of the Georgia Department of Community Affairs Grant and that infrastructure grant must be repaid by the developer. The developer must sign a contract agreeing to this term in order to be awarded the contract to develop this project.

Submission Requirements:

1. Company background
2. Examples of other relevant projects
3. Insurance
4. Documentation of financial capacity *
5. Contractor credentials
6. Project schedule, including any proposed project phasing (this project is planned as a 1-phase project, if proposing phases, be prepared to provide hard timelines on the phases and overall completion of the project)
7. Vertical construction costs per building type
8. Example interior finish list including in cost estimates.
9. Sample sales agreement including restrictive covenants.

* Past 3 years FYE Business Financial Statements (Balance Sheet & Income Statement), & Tax returns

* Letter of Reference from Primary Bank / Lender

* List of recently completed projects

Proposal Review Scoring Worksheet

Each Question is worth up to 10 points, please score based on your interpretation of their commitment to the objective or ability to perform.

1. Developer expresses willingness to build the plan as designed without requesting modifications to overall design. Score _____

Scoring notes:

2. Developer is willing to commit to a start to finish timeline of approximately 36 months from time of project award. Score _____

Scoring note:

3. Developer has given proof that they are financially capable of doing this project from start to finish. Score _____

Scoring note:

4. Developer has provided examples of neighborhood developments they have done, not just their ability to build homes. Weight towards delivery of infrastructure, landscaping that follows a plan, and amenities. Score _____

Scoring note:

5. Developer has presented their model for delivery and operations of the HOA that will control landscape maintenance of the entire development, as well as any other services or efforts that will include. Anticipated homeowner costs of that service should be provided at that time and should be considered in your score. Does the price sound reasonable for both the homeowner and developer? Score _____

Scoring notes:

6. Developer has presented their perspective on creating a sense of place with this development and how it will improve the community and surrounding area. Score _____

Scoring notes:

7. Developer has shown their sales model for the homes. Rate of building in regard to sales is important. Is developer able to keep building if units are not being pre-sold? How do they handle sales? What is their anticipated commission cost on home sales? This could play in to their ability to sell the homes for \$290,000 or less, which is a non-negotiable item due to the state grant. Score _____

Scoring notes:

8. Does the developer have a plan for and ability to provide any choices to potential home buyers, and if so, does that add value to our development? This is not required but could add value to the project and long-term satisfaction of the homeowner. Score _____

Scoring Notes:

9. Other items or services that developer can add to the development or offer to buyers that add value to the effort and desirability of the project. Score _____

Scoring notes:

10. Anticipated overall budget of project provided, showing ability to deliver product at sales prices that are below requirements and marketable to prospective buyers, while making profit for the developer. Does their proposal seem realistic and viable? Score _____

Scoring Notes:

Sub-Total Points: _____ Score

Total Points:

Overall Project Analysis:

90-100 Points (Very High)

80-90 Points (High)

70-80 Points (Good)

<70 Points (Needs Improvement)

Disqualifiers:

- Inability to financially perform the project.
- Un-willingness to obtain a surety bond or guarantee on the \$1.5 million grant. Sales of the homes at prices over \$290k will require a refund of the grant money from the developer to the state.