

Request for Proposals: 274-HCD-FY26-2

Title: Duplex Village Redevelopment

## **Proposal Due Date and Time:**

October 17, 2025, no later than 5:00PM EST

## ADDENDUM NO. 1

Issue Date: August 29, 2025

**Issuing Department:** Housing and Community Development

Direct all inquiries concerning this RFP to:

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City of Raleigh Addendum 1 to RFP 274-HCD-FY26-2

Issue Date: August 29, 2025

To: All Proposers

This Addendum, containing the following additions, clarifications, and/or changes, is issued prior to receipt of proposal packages and does hereby become part of the original RFP documents and supersedes the original RFP documents in case of conflict.

Receipt of this addendum must be acknowledged by signing in the area indicated below. Please make the follow additions, clarifications, and/or changes to the RFP as listed below and <u>sign and</u> return this addendum with your proposal package.

#### Item 1: Clarification/Correction

In Section 2 of the RFP, one of the subject properties was *incorrectly stated in the table as 1936* New Bern Ave. The correct address is 1944 New Bern Ave. This addendum replaces the incorrect reference.

### **Item 2: Questions and Answers**

The following questions have been received for RFP 274-HCD-FY26-2, Duplex Village Redevelopment. Answers are provided below for each question.

1: Is this site in a Qualified Census Tract (QCT) or Difficult Development Area (DDA)?

**Response:** Yes, this property is in the HUD QCT Tract Code 520.01. It is not in a DDA.

2: The RFP mentions that there is \$2,880,000 available gap financing to support affordable housing units in the project. We intend to provide all units at 60% AMI for the project - would that qualify for the gap financing?

**Response:** Yes. Providing all units at 60% AMI qualifies the project for the gap financing. This approach both increases the depth of affordability across the entire project and expands the number of affordable units available, exceeding the minimum 20% requirement.

3: Would a fully 9% tax credit deal be allowable with no retail component under current zoning? If so, what would the allowable density be?

**Response:** Yes, a fully 9% tax credit deal with no retail component would be allowable, provided that it is within the density allowed by the zoning and that it meets other UDO requirements. The allowable density for the project will be determined based on the specifics of the submitted

proposal concept. For projects without a mixed-use component, the applicable standards are outlined in Chapter 3, Section 3.2.4 of the UDO.

Per the RFP Section 2.1 Zoning and Development Review, it is the developer's responsibility to review and understand what is permitted under the existing zoning and the underlying UDO regulations.

### 4: Do you have any TOD oriented funding?

**Response:** There is not a separate source of Transit-Oriented Development funding. The gap financing available through this RFP comes from local City bond dollars that were designated for transit-oriented development in alignment with the City of Raleigh Comprehensive Plan.

### 5: Would the land be "shovel ready"?

**Response:** The land has a favorable by-right zoning that allows for increased density development and has access to utility infrastructure. It is the developer's responsibility to evaluate all site conditions and determine readiness relative to their concept.

Per RFP Section 2.3 Development Expectations and Considerations: Proposers are expected to have examined the Subject Properties to understand existing visible site conditions and to factor all development needs into their proposal. The City will require proposals to address all site needs and land planning including but not limited to stormwater mitigation, additional grading, any necessary clearing including tree and stump removal, plantings to stabilize any slopes, replacing extra curb cuts with curb and gutter, and repairing or replacing any adjacent curbs and/or sidewalks to ensure high-quality development.

#### 6: Does the zoning have any density requirements?

**Response:** Yes, the RFP provides guidance on the relevant sections of the UDO that will assist in determining the density requirements for the current zoning.

Per the RFP Section 2.1 Zoning and Development Review, it is the developer's responsibility to understand what is permitted under the existing zoning and the applicable UDO regulations.

#### 7: Have any environmental studies been conducted on the site?

**Response:** Yes, a Phase I Environmental Site Assessment was completed for the property in 2020. We will make the report available on the City website.

#### 8: Is there a survey available, other than GIS?

**Response:** The City completed the demolition of the existing duplexes in December 2024 and does not have an updated survey to reflect the site post-demolition.

Per the RFP Section 2.2 Developer Responsibility, the selected developer will be responsible for conducting any necessary surveys and recording plats for the development site.

# 9: Can you go into detail as to why the one parcel, 120 Russ Street, was not able to be included with the initial land acquisition.

**Response:** 120 Russ was under different ownership than the Duplex Village site when the City was negotiating the purchase, and the City was unsuccessful in acquiring it from the owner. The selected development partner may, at their sole discretion and risk, pursue acquisition of the property through private negotiations. The City is not a party to any such transaction and does not make any representations regarding the availability, timing, or outcome of any effort to acquire 120 Russ Street.

Proposals are not required to include a plan for the acquisition of 120 Russ Street. However, if a respondent chooses to include such a plan, it must acknowledge that any acquisition will be an independent, third-party transaction, not facilitated, endorsed, or guaranteed by the City.

### 10: Is there documented feedback from the community engagement process?

Final Response: The community engagement for this project built upon a great deal of engagement already completed as part of the City's New Bern Avenue Corridor Study, New Bern Station Area Planning, and redevelopment planning for the former DMV site. Specific to the Duplex Village site, several tabling events were held, as were an online survey and a listening session. The community priorities, namely mixed-income housing, deep housing affordability, the inclusion of commercial space and green space are embedded in the RFP and incorporated into Section 3.1.3. The priorities listed in the 6th bullet may be considered examples. They are specifically called out because they may not be addressed as a matter of course the way the other priorities will be. We do not have a synthesized document that incorporates all the engagement received. A Community Engagement Report summarizing outcomes from the engagement process for the former DMV site can be found on the City's website here.

# 11: How can we incorporate community feedback if you don't share it with us? Or do you mean feedback once development partner is selected?

**Response:** see answer to question 10

12: There is community priorities listed in the RFP?

**Response:** see answer to question 10

13: Regarding the community priorities listed in Section 3.1.3 of the RFP: are these examples of community priorities, or were these priorities the ones generated from the extensive community outreach conducted by the City?

Response: see answer to question 10

14: This "50 year" term, would it become for negotiation in full at the end of 50 years or would it be just administrative extension without any additional financial burden on the developer.

**Response:** Proposers will provide their own loan terms to be negotiated with staff. The City has historically considered deferred, monthly, or annual payments with 0%–2% interest depending on the population served and project needs. Variable repayment schedules, with or without balloon payments, may also be accepted at the City's discretion.

### 15: Are there income requirements for the required 10% City of Raleigh Referral units?

**Response:** There are no income requirements for these referrals, but the units should be underwritten at 60% AMI. City referrals may come from a variety of sources, including community partners. While the referrals are not currently tied to a specific rental assistance program, the City's goal is to ensure that all referred residents are able to remain successfully housed.

16: The proposal states that "a minimum of one (1) unit and up to 10% of units should be set aside for City of Raleigh referrals." Can you elaborate on whether these referrals are from a specific program/source?

**Response:** see answer to question 15

17: Does the gap financing have AMI restrictions different than the 60% AMI affordable housing for the RFP? Are there additional affordability restrictions to receive the gap financing apart from the affordability restrictions listed in the RFP?

**Response:** Yes. For the RFP, at least 20% of the units must be reserved for households earning no more than 60% AMI. If the proposer requests City gap financing, those funds must be used to serve low-income households earning at or below 80% AMI.

#### 18: Are the needed City funds beyond the budgeted subsidy considered in scoring?

**Response:** Yes. The amount of the subsidy request is considered in the scoring as part of the proposal evaluation criteria. Any exceptions to the currently offered subsidy amount will be taken into consideration. Please include any additional requests or suggested changes in Appendix IV: Exceptions to the RFP.

19: For the emerging developer points, does a developer have to meet all 3 criteria, or just one of the three? (not previously developed affordable housing, received a gap financing award from the City of Raleigh for an affordable housing project and/or has not previously participated in a City-sponsored affordable housing development project.

**Response:** In this RFP, the emerging developer is expected to meet all three requirements and provide the requested documentation so that City staff can determine whether all qualifications are

met before awarding any bonus points in the evaluation of the proposal. This program is new within our department, and we are continuing to refine its requirements and implementation.

20: If the developer is selected by end of Q1 2026, do you not miss the deadline to submit to NCHFA for its 2026 9% LIHTC round?

**Response:** The RFP schedule anticipates the evaluation committee selecting a development partner by November 26, 2025, with City Council approval expected shortly thereafter, but no later than the end of Q1 2026. The City anticipates having Conditional Commitment letters prepared for the selected partner in advance of NCHFA's May 2026 full application deadline.

21: Please let me know how/where to send more details on my question of 50-year term details?

**Response:** Email all questions to Angelina.blackmon@raleighnc.gov

22: Is there a target total number of units?

**Response:** No, there is not a target total number of units; however, the goals and scoring criteria include maximizing the number of affordable units and maximizing project density.

23: As a cleaning company for construction and commercial cleaning, should we be included in this process? Are we too early to start work on this project? Listening to this project, I realize the units need to be developed first. Is there a certain company we should connect with once the project is awarded to a developer?

**Response:** The City is not the developer for this project and will be selecting a development partner through this RFP. The selected developer will be published, and you may reach out to them directly once that information is public.

24: Are you going to provide a list of all the attendees from this call?

**Response:** Yes, the list of attendees is **Item 3** below.

25: I know your office may not have a good idea of this, but would the Raleigh Housing Authority be open to providing Project Based Vouchers for this project?

**Response:** The City is unable to answer on behalf of the Raleigh Housing Authority. We recommend interested parties reach out to them directly.

26: Is there a recording of this conference that will be made available?

**Response:** No, this meeting was not recorded. The slides to the Pre-Proposal Conference have been posted to the City website.

27: Are there any specimen trees that are currently on site that will impact design or buildable acreage that the City is aware of?

**Response:** The City is not aware of any specimen trees on the site that would impact design or buildable acreage. However, proposers are expected to conduct their own due diligence to evaluate existing site conditions, including trees. The property is located within a TOD Overlay District, and tree conservation requirements are not anticipated to apply.

Per RFP Section 2.3 Development Expectations and Considerations, Proposers are expected to have examined the Subject Properties to understand existing visible site conditions and to factor all development needs into their proposal.

# 28: Does the City have any desire in wanting to see surface parking or a parking deck (if feasible)?

**Response:** The City has no preference regarding the type of parking within the development, as long as it complies with UDO standards and is feasible for the project. The developer may determine the appropriate parking type and the number of spaces needed for project feasibility.

Per RFP Section 2.3, Development Expectations and Considerations, the City will leave the mix of uses to the proposers, but all proposals must include a significant affordable housing component.

## 29: I was unable to participate in the Pre-Proposal Conference yesterday at 2pm. Checking to see if it was recorded and I can watch it?

**Response:** No, this meeting was not recorded. The slides to the Pre-Proposal Conference have been posted to the City's website.

30: Would it be possible, to obtain the list of companies or attendees from the pre-proposal conference.

**Response:** Yes, the list of attendees is **Item 3** below.

31: Page 3 also mentions other parcels coming out such as the DMV headquarters, the Boyer-Waldrop site and the Moore Square East site. Do you have any additional information on these other potential RFP's or a timeline when you would expect them to be released?

**Response:** Yes, the estimated timeline for these solicitations are listed below and are subject to change:

- Former DMV Headquarters RFQ expected to be issued in Q1 of 2026, followed by RFP later in mid-2026
- Boyer-Waldrop RFP Q4 of 2026
- Moore Square East Market study is underway to inform disposition strategy, with the disposition process anticipated in 2026. Exact timing and method to be determined.

32: I unfortunately had a conflict on the pre-proposal conference and was wondering if there was a recording of the conference available? If so, would it be possible for you to send me a link?

**Response:** see answer for question 26.

### 33: What are the interest rate and loan terms of the \$2.88m gap financing?

**Response:** Proposers will provide their own loan terms to be negotiated with staff. The City has historically considered deferred, monthly, or annual payments with 0%–2% interest depending on the population served and project needs. Variable repayment schedules, with or without balloon payments, may also be accepted at the City's discretion.

34: Page 6, 2.2 Developer Responsibility. Please confirm that executing the option can be done as part of the construction loan closing process.

**Response:** Confirmed. Executing an option to lease or a long-term ground lease would occur as part of the construction loan closing process.

35: Page 7, 2.4 Affordability Conditions. The second paragraph requires a minimum of one (1) unit and up to 10% of the units being set aside for City of Raleigh referrals. Which department will be handling the referrals? Will any rental subsidies be provided for the tenants that are referred?

**Response:** The City of Raleigh's Housing and Community Development Department will oversee the referrals. Regarding rental subsidies, the City's referral program is still being developed. The City's goal is to ensure that all referred residents remain successfully housed.

36: Page 8, 2.5 Available City Financing. Are the funds being provided by the City federal funds such as HOME, CDBG, etc. that would trigger Davis Bacon, NEPA reviews, etc.

**Response:** The gap financing available through this RFP comes from local City bond dollars that would not trigger additional federal cross-cutting requirements.

37: Section 4.5 Emerging Developer Partnership Bonus, Page 15, second bullet point states; "The experienced housing developer and/or development consultant must be approved by City of Raleigh.

Will the City of Raliegh approve the experienced housing developer and/or development consultant prior to the RFP package submission or is the approval done as part of the RFP review based on information submitted? If approval is required prior to the RFP submission, please provide the process and a deadline date for submitting information.

**Response:** The approval of the experienced housing developer and/or development consultant will be completed as part of the RFP review process, based on the information submitted in the proposal.

38: pg. 13 Evaluation Criteria. Can you please elaborate on what project complexity and risk management mean?

**Response:** Risk management refers to the proposal describing the team's ability to identify, anticipate, and mitigate potential risks to delivery of the project, including cost increases, schedule delays, receipt of required approvals, and other factors. Points will be awarded based on the strength and completeness of the project proposal. Evaluation factors may include, but are not limited to, the proposed mix of uses, number of affordable units, depth of affordability identified funding sources and level of commitment, project schedule, and the overall complexity and design of the proposed concepts.

39: The city has \$2.88m and the developer has the ability to ask for more if need be. It is a 10 point item - are you saying that if the developer requests less and obtains more money from other sources, it would obtain a higher score?

**Response:** Yes, projects with a lower City subsidy per unit, assuming all project costs are reasonable, will be viewed more favorably. The amount of subsidy requested will be a factor in the points awarded during evaluation.

40: Regarding the firm chart requirements: should the RFP response only include projects for the last five years for the developer applicant? Members of the design team could provide projects they have completed over the last five years, but they likely do not know the vacancy rates.

**Response:** Yes, the minimum requirement is for the developer to provide examples of projects from the last five years in which they served as the lead developer, along with the corresponding vacancy rates.

- 41: The RFP defines and Emerging Developer as, "as a for-profit or nonprofit development firm that has not previously developed affordable housing, received a gap financing award from the City of Raleigh for an affordable housing project and/or has not previously participated in a City-sponsored affordable housing development project."
  - a.) How does the City define a "development firm"?
  - b.) For example, would a service organization looking to expand its programming into building/providing affordable housing for the individuals they serve meet the definition of a "development firm" and therefore qualify as an Emerging Developer?
  - c.) If so, could you provide a few more examples, outside of real estate developers themselves, of what other organizations the City would consider acceptable "development firms"?

#### **Response:**

41a: A development firm would be defined as a nonprofit or for-profit entity with the purpose of constructing, replacing, or rehabilitating housing.

41b: Yes, as long as they meet the three listed requirements. The emerging developer still needs to partner with an experienced developer to ensure project success.

41c: Any entity or organization meeting the defined qualifications would be an example.

42: The City has previously mentioned the possibility of extending Coke Street to New Bern Avenue. The extension of Coke Street would allow for more flexibility and greater density on the site. Is the City still considering extending Coke Street or willing to extend Coke Street if proposed by a developer as part of the RFP response? If so, would the City complete the work of extending Coke Street?

**Response:** The City is still considering options for a potential Coke Street extension but does not have a specific plan in place at this time. The City will work with the selected development partner and adjacent property owner to determine how, if at all, an extension might be completed in conjunction with this project.

43: What would be the anticipated timing for completing the extension of Coke Street? Would the City be willing to complete the extension prior to or during the construction of the future development at Duplex Village?

**Response:** see answer to question 42

44: Demolition of duplex housing on most of the six parcels will be necessary. Whose responsibility will it be to relocate those residents?

**Response:** The City completed the demolition of the existing duplexes in December 2024.

45: The photo of the area seems old. For instance, there is a big church across from 120 Russ St. and vacant land next to it. The aerial photo shows a large building on these parcels, so could the City of Raleigh provide more updated photos?

**Response:** The aerial image included in RFP Section 2, Subject Properties Overview & Project Requirements, outlines all parcels in this RFP in yellow and labels them with the correct addresses. The image is not intended to reflect current site conditions.

Per the RFP Section 2.3 Development Expectations and Considerations, proposers are expected to examine the subject properties directly to understand existing conditions and factor all development needs into their proposals.

46: Is there a preference for senior or family, affordable or market rate mix?

**Response:** The City will leave the decision of housing population served to the proposer. The remaining income and rent level targeting for the program will also be determined by the proposer, while ensuring compliance with the minimum affordable unit and City referral requirements.

47: Definition of emerging developer (ED) is below – Does the emerging developer need to be from NC?

An "emerging developer" is defined as a for-profit or nonprofit development firm that has not previously developed affordable housing, received a gap financing award from the City of Raleigh for an affordable housing project and/or has not previously participated in a City-sponsored affordable housing development.

**Response:** No, there is no requirement to be from North Carolina to qualify. The applicant needs only to meet the three listed requirements to qualify as an emerging developer.

48: If ED is not the principal developer, we'll need documentation to demonstrate the value the ED will receive – What documentation is permissible? Will an MOU suffice?

**Response:** The City will review documents with the applicant after submission. For the purposes of the application, a preliminary MOU is acceptable unless a different partnership agreement has been established. Final approval will be provided after the application is reviewed, but an MOU may be sufficient if it adequately covers all parties.

49: The RFP mentions the existing zoning & TOD overlay the proposal should utilize, but is there a unit target mix the City is expecting?

**Response:** No, the City is not requiring a specific unit target mix. However, one of the goals and scoring criteria is to maximize the number of affordable units and depth of affordability. At least 20% of the total units must be rented to households earning no more than 60% AMI, along with the required City of Raleigh referrals set-aside.

50: Does the City have a preference between family and senior development?

**Response:** The City will leave the decision of housing population served to the proposer.

51: For the emerging developer points, are we right in assuming the developer must meet only one of the following three criteria (based on the OR): "not previously developed affordable housing, received a gap financing award from the City of Raleigh for an affordable housing project and/or has not previously participated in a City-sponsored affordable housing development project."

**Response:** see answer to question 19

52: Can we view feedback from the community engagement process?

**Response:** See answer to Question 10.

53: Has any outreach been done with the owner of the adjacent car lot?

**Response:** No attempts have been made to contact the owner of the car lot.

54: How many total units is the City imagining for the site? Is there a minimum or maximum?

**Response:** The City is leaving the total number of units to the proposer. There is no minimum or maximum requirement.

55: What other uses (non-residential) do they want and/or would be open to?

**Response:** Community engagement indicated the most desired non-residential uses are restaurants/dining and locally owned businesses.

Per the RFP Section 2.3 Development Expectations and Consideration, the City will leave the mix of uses to the proposers, but all proposals must include a significant affordable housing component.

# 56: What is the City's attitude on required parking? Lower than 1.5 spaces/unit? Lower than 1 space/unit? Has the neighborhood been engaged in this discussion?

**Response:** The City does not have a specific preference regarding parking type, provided it complies with UDO requirements and is feasible for the project. Ultimately, it is the developer's responsibility to determine the appropriate parking type and the number of spaces necessary to ensure project feasibility. The developer has the flexibility to determine the type of parking and number of spaces that best support the project's feasibility and design. The community has not been specifically engaged on parking requirements.

## 57: Must it be designed to HUD acoustic stds?

**Response:** This RFP does not include any HUD acoustic standard requirements.

#### 58: Nearby car dump – does zoning address required buffer adequately, in City's opinion?

**Response:** The adjacent car lot is located within the appropriate zoning district designated for industrial uses.

## 59: The link to RFP addendums did not work for me. Are there any Addendums we need to see?

**Response:** This Q&A Addendum is the first addendum to RFP 274-HCD-FY26-2. Any subsequent addenda will be posted to the City website and to eVP as needed.

## **Item 3: Pre-Proposal Conference Attendees**

Note: The contact information displayed during the Pre-Proposal Conference is the only information we are able to share. In some cases, only a first name or a phone number was shown, and that is what will appear in the list below.

\*denotes City-staff

Angelina Blackmon*	Corbin Anderson	Debashish Chakravarty	
Tiffanie Mazanek*	Luke Metzler	Kayla Rosenberg	
Annie Baumann-Mitchell*	Michael Healy	Joseph Omozokpea	
Jasmine Martin*	Cathy Morrison	Samantha Brown	
Brandon Poole*	Andy Schryver	Greg Smith	
Pat Dawson*	(919) 622-2293	Traci Dusenbury	
Jake Levitas*	Gabi Purdue	Joe Horowitz	
Jess Brandes*	Joseph Schwenker	Stephanie Belinga	
Mary Elizabeth Russell*	Nicholas Pack	Andy Rosen	
Jennifer Ashton*	Morgan Woods	Jon Thompson	
Linda Lavis	Noah Wagner	Ken Thompson	
Siraj Chohan, PE	Thomas Atlee	Christopher Valenzuela	
Sabrina	Denis Blackburne	Chris Whitenhill	
Laura Nicholson	Mary Alex Bachus	Natalie Britt	
Ebony Bryant	Bill Egan	Michael Eliahu	
Landon Cox	Kenya Pleasant	Catalyst Design	
Tommy Lowmon	Margo Jamison	Katie Bostick	
Samuel W. Weldon	Timothy Fisher	James Norman	
Waheed HAQ	Field Goodlett	(919) 539-6443	
Bryan Wyatt VOANS	Greg Maul	Carmen Cerritos	
Kati McClure	Maxine Patwardhan	Noemi	
Courtney Coble	Jon Springfield	Jay Lewis	
Phil Kiester	Kevin Bridges	Tina	

Sign below and return this addendum with your proposal.

Proposer Name & Company:		Date:	
Signature:	Title:		