November 8, 2019

Investor and Lender Solicitation

The Commons at Martineztown

1. Addendum Number: #2

2. Issued By: Albuquerque Housing Authority

3. Addendum of solicitation: Investor and Lender Solicitation – The Commons at Martineztown

4. The hour and date specified for receipt of proposals is 5:00 pm MST on Friday, November 15, 2019 and is not extended through this addendum.

5. The solicitation is amended as set forth below. Proposer acknowledges receipt of this addendum through notification sent out by email and on the AHA website.

6. Description of amendments:

Questions and Responses to Solicitation:

Question 1: What are the AMI set-asides for the unit type

Response 1:

We intend to set aside all units at 60% AMI unless required to have additional deep income targeting for additional gap financing

Question 2: Would you please expand on AHA's development team and experience in LIHTC? Are there any other participants in the ownership structure?

Response 2:

Linda Bridge managed the low-income housing tax credit program for the NM Mortgage Finance Authority (MFA) from 2002-2004 and was the Director of Housing Development for the MFA from 2004-2014 overseeing the LIHTC program and all housing development programs. Dan Foster also managed the LIHTC program for MFA from 2009-2015 and was the lead for AHA on the Rio Vista tax credit project. Andrew Estocin and Matthew Archuleta both have property management experience on LIHTC properties and did compliance monitoring for MFA. More information on Dan, Matthew and Andrew's experience is available in their resumes included in the original solicitation. Resumes for the development team members that were not included in the original solicitation are attached and include: Thomas Gifford, architect; Dominion Due Diligence Group, consultant; Bob Blumenfeld, attorney; and Megan Glasheen attorney.

There are no other participants in the ownership structure outside of what was described in the solicitation.

Question 3: Are there any additional RAD conversions of your public housing assets that are planned after this one that will involve LIHTC investment?

Response 3:

This is the first of many planned RAD conversions. We estimate that approximately 75% of our portfolio will require major redevelopment that will need LIHTC investment. The next projects planned are:

6100 Harper Dr NE, rehabilitation of 59 units and the addition of a community building with a manager's office, utilizing 9% Low Income Housing Tax Credits.

1840-1878 Broadway Pl NE, demolition 30 existing rental units and replacement with 50 to 60 new rental units and the addition of a community building with a manager's office, utilizing 9% Low Income Housing Tax Credits.

THOMAS GIFFORD, AIA
Design Principal, TGA

EDUCATION

Master of Architecture- University of New Mexico, Albuquerque, New Mexico 2001

Bachelor of Science in Architecture- The Ohio State University, Columbus, Ohio 1993

EXPERIENCE

Principal	Thomas Gifford Architect Albuquerque and Santa Fe, New Mexico	2003- present
Principal	Calott + Gifford Architecture I Urban Design Albuquerque and Santa Fe, New Mexico	2001– 2011
Partner	Infill Solutions Albuquerque and Santa Fe, New Mexico	2002– 2011
Principal	Thomas Gifford Design Albuquerque and Santa Fe, New Mexico	1994- 2003

BACKGROUND

TGA is characterized by entrepreneurial spirit, team work, collaboration and hard work. We foster a working environment where collegial support is highly valued and where ambition, high morale and dedication to being innovators in our field unify our team. TGA architecture emerges from a careful analysis of the site, program, organization and modern life. We believe architects should guide collaboration rather than impose solutions. Engaged intelligently, project challenges such as site conditions, budgets, schedules, codes, and politics are opportunities that can catalyze the most innovative solutions. We strive to deliver architectural concepts that capitalize on our clients' constrains surpassing any vision they had for the project. We produce specific designs that are highly effective. We emphasize sustainable as fundamental to design but it does not drive the design. Part of sustainability is breathing new life into old buildings while con serving resources and historic values in adaptive reuse projects.

REGISTERED ARCHITECT

State of Colorado, License Number 203759	2003 - present
State of New Mexico, License Number 4057	2003 - present
State of Texas, License Number 25266	2015 - present

PROFESSIONAL AFFILIATIONS

American Institute of Architects	2003– present
National Council Architecture Reg Boards	2003- present

ARCHITECTURE I URBAN DESIGN
1709 Paseo de Peralta
Santa Fe, New Mexico 87501 tel 505 690 5898
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DOMINION
Due Diligence Group

ABOUT D3G

Dominion Due Diligence Group (D3G), with offices in Richmond, VA and Denver, CO was established in 1994 by Robert Hazelton, and was the original third party due diligence consultant to concentrate on the HUD-FHA-MAP mortgage insurance industry. D3G has since grown into a full-service Environmental and Engineering real estate due diligence company focusing on the nation's housing and healthcare markets. Our third-party reporting is used for HUD-FHA, SFHA, LIHTC, Fannie Mae, Freddie Mac, and conventional financial transactions.

The continued success and growth of D3G has a lot to do with our 120+ employees. Our team lives by our core values of: Integrity, Quality, Innovation and Teamwork. We also have the experience and industry knowledge to be more than just a property inspector or assessor, but a true housing consultant.

D3G continues to be an innovator in the market, continually striving to be a part of the solution to the affordable and workforce housing crisis in this country.

What differentiates D3G:

- We have experience with **all HUD Office of Multifamily Housing programs and regions**.
- We provide **all core services in-house and deliver Investment-Grade reporting** for environmental, engineering,energy, design, and construction cost estimation.
- **We completed the first ever Green Property Condition Assessment** (GPCA) for the HUD OAHP Mark-to-Market program.
- We were selected by HUD to **pilot the new electronic environmental interface known as HEROS** (HUD's Environmental Response Online System) to facilitate NEPA compliance.
- We helped structure and deliver **the largest scattered site RAD conversion ever**, 1209 units in rural Mississippi across 52 square miles.
- We piloted the **new HUD CNA e-Tool** software system, and have provided reporting for hundreds of FHA and RAD properties.
- We provide **Geophysical Services** and have documented success coordinating, conducting and reviewing complex "Brownfield" sites.

Partner with us:
connectwithus@d3g.com
877.288.6040
www.d3g.com

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RAD
Rental Assistance Demonstration

Housing Preservation Services with RAD and SAC

D3G's 25 years of experience with FHA mortgage insurance, Section 8 PBRA/PBVA, Section 9, Senior Housing restructure, LIHTC, and mixed-financing real estate inspection and due diligence serves RAD transactions very well. And our high success rate within the RAD program demonstrates our aptitude. We recognize that strategic planning and coordination between stakeholders are essential components to successful RAD conversions. Our Housing Preservation Services Department combines specialized early planning services with high-level transactional guidance. Portfolio wide reviews, which encompass multiple disciplines and studies, offer a unique opportunity for PHA staff and Board members to consider options early in the transformation planning process.

We have the technical affordable housing expertise to guide PHAs on financing options, and each of our Subject Matter Experts (SME's) remain at the forefront of housing industry trends. Using a holistic and solutions-based approach, our team brings projects from concept to reality.

D3G can assist with the complex decisions of property transformation and knows how to make RAD work best by using Section 18 SAC or LIHTC financing or looking at different financing mechanisms.

Our experienced HPS Team can guide PHAs throughout the complex RAD and SAC application process, and act as a liaison between the PHA and HUD staff, ensuring long-term portfolio success.

D3G RAD Highlights

- ✓ We understand small and large PHAs. While we have worked with 4 of the 5 largest Public Housing Agencies in the country (those over 13,000 units including New York City, Chicago, Philadelphia, and Baltimore), we have also been successful with some of the smallest PHAs with total unit counts of less than 50.
- ✓ D3G was heavily involved in the early RAD success stories of the housing authorities of San Francisco, Nashville, and El Paso.
- ✓ D3G has been working with the new CNA e-Tool for the past two years, and we are very familiar with the new reporting platform for capital needs assessments being enforced by HUD - RAD.

D3G RAD Stats

- ✓ **150,000+** Units of Public Housing assessed under RAD
- ✓ **1,085** RAD Projects
- ✓ **936** CNA e-Tools completed to date
- ✓ **495** Environmental/NEPA/HEROS Reports for RAD
- ✓ **72** Section 18 SAC Cost Obsolescence Reports
- ✓ **1209** units in rural Mississippi across 52 square miles (largest ever RAD scattered site conversion)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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DOMINION
Due Diligence Group

For 25 years, D3G has been navigating the nation's most complex housing and healthcare projects, guiding Lenders, Borrowers, General Contractors, Design Professionals and Equity Partners through the due diligence process. We help shape the affordable housing preservation industry by presenting comprehensive environmental, property and sustainability solutions.

ENGINEERING SERVICES

Architectural Design Review and Construction Cost Estimation
These technical reviews determine the acceptability of new and rehabilitated properties and provide architectural and construction cost conclusions essential to the underwriting function.

- Construction document review for scope, building code and lending standard compliance (e.g. LIHTC, FHA, GSE, etc.)
- Construction cost estimation (segregation method and square foot comparison method)
- Davis Bacon Wage Rate determination
- Handicap accessibility consulting
- Construction draw inspection and dispute resolution

Capital Needs Assessments
D3G's staff of Engineers, Architects and Construction Professionals provide detailed reports that facilitate the lending process by preparing accurate and comprehensive evaluations of the properties and components under study.

- Field inspection by Building Performance Institute (BPI) accredited staff
- Evaluation of life and safety conditions (aka Critical Repairs)
- Handicap accessibility compliance inspections (FHAAG, UFAS, ADA)
- Reserve for Replacement (R4R) Studies
- Green Capital Needs Assessments
- Intrusive building investigations of long-lived systems/defective conditions
- Comprehensive evaluation and true-up modification of 20-year schedule based on proposed rehabilitation scope of work

HOUSING PRESERVATION SERVICES

- Public Housing Portfolio Review
- Technical assistance and full-service consulting on RAD AND Section 18 transactions, bringing projects from pre-app to post-closing success
- Identification of funding sources based on project needs and future plans
- Expert knowledge of RAD and Section 18 policies allows proactive approach to unique transactional aspect

ENERGY SERVICES

Energy Benchmarking, Auditing and Modeling Assessments To comply with HUD, Fannie and Freddie, and LIHTC protocols our services include:

- ASHRAE Compliant Energy Audits
- Green Capital Needs Assessments
- Utility Allowance Calculations
- Integrated Pest Management (IPM)
- ENERGY STAR Portfolio Manager Benchmarking
- Healthy Homes Consulting

Green Building Consulting and Verification

- National Green Building Standard (NGBS) Green Consulting and Verification
- USGBC LEED and EarthCraft construction document review
- EPA ENERGY STAR Existing Building certification
- Measuring planned rehabilitation options for long term energy savings

ENVIRONMENTAL SERVICES

Phase I and Phase II Environmental Site Assessment (ESA)
These investigations identify recognized environmental conditions (RECs) as defined by ASTM E 1527-13 and may include:

- Site reconnaissance by trained and qualified environmental professionals
- Identification of current and historical land usage
- Review of local, state, and federal regulatory records
- Preliminary field screening for hazardous substances and petroleum products
- Soil, Groundwater and Vapor Intrusion Investigations
- Hazardous condition testing (tanks, lead paint, asbestos, mold, indoor air etc.)
- Geophysical studies including Ground-Penetrating RADAR (GPR)

NEPA Studies (24 CFR Part 50 and 58)
These technical studies document compliance with HUD's Environmental Laws and Authorities and may include:

- HEROs electronic platform data entry and/or use of Partner Worksheets
- HUD Environmental Review Record (ERR) supporting documentation
- Ancillary NEPA studies for Noise, Acceptable Separation Distance, STC, etc.
- FEMA floodplain consulting
- Compliance and reporting for the Public Comment 8-Step Process

Partner with us:
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Robert L. Blumenfeld

Mendel Blumenfeld, PLLC
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Bob Blumenfeld has over 20 years of experience advising and assisting clients in the public housing authority (PHA) industry. He began providing legal services to the Housing Authority of the City of El Paso (HACEP), a large public housing authority, in 1995. From that time to the present, Bob has assisted HACEP as its primary full-purpose local general counsel in its development, regulatory compliance, governance, corporate, real estate, and personnel/human resources areas. Bob has also advised other area PHAs, including the Mesilla Valley Public Housing Authority (MVPHA), the Albuquerque Housing Authority, and Housing Authority of the County of El Paso. Bob also assists nonprofits who provide housing assistance to individuals with a history of homelessness and mental illness.

By way of his background, Bob has practiced law continuously since he graduated from the University of Texas School of Law, with honors, in 1992. He received his undergraduate degree in history at the University of California at Berkeley in 1989.

Bob is licensed to practice in Texas (1992), New Mexico (1993), and Utah (2019). He is licensed to practice in the United States Court of Appeals for the Fifth Circuit, the United States District Court for the Western District of Texas, the United States District Court for the Northern District of Texas, and the United States District Court for the District of New Mexico.

Bob has acted as local counsel on a number of affordable housing development transactions. From 2003 to the present, Bob has assisted his housing authority clients in Texas and New Mexico on over 40 transactions involving the acquisition, financing, construction, redevelopment, re-purposing, and/or restructuring of residential affordable housing communities. Bob's affordable housing expertise involves assisting clients on acquisitions or transactions involving an array of financing to include low income housing tax credit (LIHTC), historic tax credit (HTC), HOME program funds, PHA "gap loans," private investment, mortgages, and public debt. During this time, Bob has garnered expertise in forming and managing affiliated entities for PHAs. This includes formation of direct nonprofit and for-profit subsidiaries, including instrumentalities, that are dedicated to the financing, development, management, and/or ownership of affordable housing properties, as well as subsidiaries and partnerships that own and manage residential properties.

From 2013 to the present, Bob has worked with HACEP on its portfolio-wide conversion of its public housing portfolio under the Rental Assistance Demonstration (RAD) Program. The opportunity to assist a PHA on a multi-transaction, multi-property, $1.3 billion project has given Bob rare day-to-day and front line expertise on the legal matters affecting a PHA as it transitions from a traditional public housing to a RAD ownership model.

Megan Glasheen is a Member who focuses on all aspects of affordable housing and community development. Megan is known for her ability to manage large-scale redevelopment efforts for public housing authorities and private developers, and for her counsel to judicial and administrative receivers appointed to turnaround troubled public housing agencies.

Education/Bar Admission

- Howard University School of Law, J.D.
  - Member, *Howard University Law Journal*
- University of Rhode Island, B.A. in Political Science, *with distinction*
- Admitted to the District of Columbia, California and Maryland Bars

Selected Recent Transactions

- Represented affordable housing developer/owners in the financing of the affordable housing portion of mixed use developments in the District of Columbia involving the redevelopment of Capitol Vista, Delta Towers, Hine School, Square 50 in the West End, City Market at O
- Headed the legal team that closed the first Rental Assistance Demonstration Program (RAD) to use financing from the Federal Housing Administration (FHA)
- Represents the Housing Authority of the City of Los Angeles on its "Build First" redevelopment of the Jordan Downs public housing site
- Represents the Housing Authority of the City of El Paso as the developer/owner on its portfolio-wide RAD conversion (6,300 units), including the largest single transaction conversion under the RAD Program generating nearly $250 Million in rehabilitation funds from a combination of low income housing tax credits, HUD operating subsidies and capital funds converted to RAD, and bond financing to fund the renovation of almost 1,600 units
- Represents the Housing Authority of New Orleans on the Iberville/Treme Choice Neighborhoods Initiative, B.W. Cooper, and Lafitte redevelopment efforts as well as its scattered site development program
- Represents the Boston Housing Authority on its redevelopment of the West Newton/Rutland, Mary Ellen McCormack, Old Colony, Washington Beech and Whittier developments using bonds, low income housing tax credits, public housing capital funds, and private loans

Major Prior Work Experience

Prior to attending law school, Megan was a press aide to Reverend Jesse L. Jackson, Sr. and worked at Rhode Island Legal Services on state legislative initiatives to increase the supply of affordable housing. During a hiatus from the firm in 1994, Megan worked at the Housing Authority of the County of Contra Costa, where she assisted with grant writing and a comprehensive overhaul of policies and procedures for the Section 8 and public housing programs.

Speaking Engagements/Publications

- Speaker, *Financing Mixed-Income Communities*, HAND's Training & Capacity Building, May 2018
- Speaker, *Hot Topics in Fair Housing & Development*, VAHCDO 2017 Legal & Policy Seminar, November 2017
- Speaker, *Transactional Pitfalls and Challenges of Doing Development*, SERC-NAHRO Annual Conference, June 2017
- Speaker, *Affirmatively Furthering Fair Housing Rule and Revisions to the Regulations Dealing with the Violence Against Women Act*, Public Housing Authority Directors Association Conference, May 2017
- Speaker, *Property Taxes, PILOTS and Exemptions*, ABA Forum on Affordable Housing and Community Development Law Annual Conference, May 2016

- Speaker, *Legal Aspects of Demolition and Disposition Applications*, Virginia Association of Housing and Community Development Officials, December 2014
- Speaker, *Effective Handling of HUD Office of Inspector General Audits: What You Need to Know Virginia Association of Housing and Community Development Officials*, Housing and Development Law Institute, December 2014
- Speaker, *Rental Assistance Demonstration (RAD) Program and LIHTCs*, Virginia Housing Coalition Conference, September 2013
- Speaker, *Gautreaux—Developments and Lessons Learned, Plenary Session*, American Bar Association Forum on Affordable Housing and Community Development Law, May 2011
- Moderator, *View From Capitol Hill Plenary Session*, American Bar Association Forum on Affordable Housing and Community Development Law, May 2010
- Moderator, *Effective Handling of HUD Office of Inspector General Audits: What You Need to Know*, Housing and Development Law Institute, May 2010
- Presenter, *Overview of the Tax Credit Assistance Program and the Tax Credit Exchange Program*, Virginia Association of Housing and Community Development Officials, December 2009
- Author, *Community Development Block Grants* [chapter in Building Healthy Communities: A Guide to Community Economic Development for Advocates, Lawyers and Policymakers (American Bar Association July 2009)]
- Speaker, *Hot Topics in Affordable Housing Law*, The National Organization of African Americans in Housing, October 2007
- Speaker, *The Innovative Organization*, Wall Street Journal Winning Workplaces Conference, October 2007
- Speaker, *Developing Affordable Housing-Dealing with Developers*, HUD Maximizing Leverage Conference, September 2007
- Speaker, *The Benefits of Going Green*, NAHRO Summer Conference, July 2007
- Speaker, *Tax-Exempt Organizations: Hot Topics*, ABA Forum on Affordable Housing and Community Development Law, May 2007
- Speaker, *Redeveloping Public Housing*, ABA Forum on Affordable Housing and Community Development Law, May 2007
- Speaker, *Roles and Responsibilities in Low-Income Housing Tax Credit Transactions*, Training for U.S. Department of Housing and Urban Development Staff, April 2007
- Speaker, *Governance Issues for Public Housing and Redevelopment Authorities*, Housing and Development Law Institute, April 2007
- Speaker, *Green Building in Affordable Housing*, NAHRO Community Development Meeting, March 2007

Awards, Community and Professional Activities

- Martindale Hubbell Peer-Review Rated AV Preeminent™
- Board member, Alexandria Housing Development Corporation, 2004 - Present
- Former Governing Committee Member, American Bar Association Forum on Affordable Housing and Community Development Law
- Member, National Association of Housing and Redevelopment Officials
- Member, Housing and Development Law Institute
- Member, District of Columbia Building Industry Association
- Member, Housing Association of Nonprofit Developers
- Member, Coalition for Nonprofit Housing and Economic Development