

PUBLIC NOTICE

REQUEST FOR PROPOSALS FOR PARTICIPATION IN “IRISH CHANNEL” REDEVELOPMENT INITIATIVE CONDUCTED BY NEW ORLEANS REDEVELOPMENT AUTHORITY (NORA)

Notice is hereby given that all materials requested herein must be received by the New Orleans Redevelopment Authority (NORA) at 1340 Poydras St. 6th Floor, New Orleans, LA 70112 no later than May 12, 2008 at 4:00 p.m. Copies of the Request for Proposals may be obtained from NORA at the above address. NORA reserves the right to accept or reject any and all proposals and/or any portions of proposals.

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Proposal Submission Deadline: May 12, 2008

1. Project Overview

NORA currently owns, or will own, 10-15 properties in the Irish Channel (described further in *Exhibit A*), primarily through expropriation. The majority of NORA's properties are structures in need of significant rehabilitation or vacant lots. Unless stated otherwise, all NORA properties are sold with clean title. NORA is seeking proposals from individuals and developers interested in purchasing properties subject to the conditions and requirements of this document.

NORA has grouped its properties into three categories: A, B, C which are tentatively described and listed in *Exhibit B*.

1. Category A, which will be sold to a single entity, currently includes 7 properties and requires that developers make at least 3 of these properties affordable to families making between 80%-120% of Area Median Income.
2. Category B, which will be sold to a single entity, currently includes 3 vacant lots that after redevelopment must be made available for affordable homeownership opportunities for individuals making below 80% of AMI.
3. Category C, are properties that are available for purchase by individuals

PLEASE NOTE –THE FINAL LIST OF PROPERTIES WILL BE AVAILABLE ONCE NORA COMPLETES EXPROPRIATION TRIALS AND COMPLIES WITH THE LOT NEXT DOOR ORDINANCE¹.

Interested developers/purchasers should submit a list of their qualifications and NORA in conjunction with the ICNA shall screen these developers based on the criteria set forth below in Sections 2. Price will be one factor in NORA's evaluation; however it reserves the right to consider lower bids from more highly ranked developers. Among NORA's key objectives are to ensure that all dispositions are consistent with the community planning process, respect the neighborhood's character and history, and produce high quality housing in a rapid fashion.

NORA's goal is to have redevelopment of all properties completed within 8-12 months of purchase. NORA will require purchasers to sign agreements that require redevelopment to be completed in a timely fashion and allows NORA to repossess the property if it is not.

All inquiries concerning this RFQ should be directed in writing to:
Ommeed Sathe, Director of Real Estate Strategy -Telephone (504) 658-4000.

¹ Under the Lot Next Door ordinance, property owners with a homestead exemption are given the opportunity to purchase adjacent lots for fair market value. NORA has sent letters to eligible owners and these owners have 60 days to respond.

2. Evaluation Criteria

Developers and individuals interested in responding to this RFQ will be evaluated based on demonstrating they can satisfy the criteria enumerated below. The document below delineates what obligations are expected of developers (interested in Category A & B), versus individuals (interested in Category C). Applicant refers to both developers and individuals. If individuals intend to use property to expand their yard they will be evaluated based on their satisfaction of Criteria 1, 3, 4, and 6.

1. Prior Redevelopment Experience & History of Involvement in Community (up to 10 points): Developers must show that they, or their managing principals, have successfully completed housing development projects in the New Orleans Area or other similar urban communities. Developers should provide any photographs or documentation of prior projects. For individuals interested in Category C properties, they must either demonstrate a past history of rehabbing properties or signed commitments from experienced contractors. Particular consideration will be given for entities who have experience developing successful homes in and around the Irish Channel and/or a connection to the Irish Channel.
2. Financial Model (up to 5 points): Developers must include a financial model that describes the expected costs (and proceeds) from the construction, financing and resale of the properties. Models should include all tax credits, government subsidies, and internal equity that participants anticipate utilizing.
3. Adequate Financial Resources, Scalability and Timing (up to 15 points): All applicants must show that they have adequate capital and resources to successfully redevelop their allotment of properties in a rapid fashion and cover all acquisition and predevelopment expenses. All applicants must clearly indicate the method of financing for their proposed redevelopment initiatives, including construction and permanent financing. Ideally, applicants will present a Letter of Intent/Commitment from any proposed sources of funds including banks and equity investors. For financing sources other than recognized financial institutions, applicants should provide verification of that party's financial ability. Potential developers should also demonstrate significant loss and contingency reserves. Developers must also demonstrate adequate staffing resources and the ability to complete a large number of properties in a rapid fashion.
4. Design Prototype (up to 15 points): Applicants will need to produce a thoughtful urban design concept that creates a vibrant street frontage. All applicants must include a prototype of the design(s) they anticipate building, including the method of construction (modular, manufactured,

stick-build, etc). Particular consideration will be given to models that utilize environmentally sustainable techniques, innovative building techniques and high-quality materials and finishes. Building designs must be consistent with the surrounding community, neighborhood history, and any historical districts. In particular, the neighborhood believes that building owner-occupied doubles is to be encouraged on lots that were former sites of doubles. Interested purchasers should be aware that all properties are located in a Local Historic District and subject to HDLC control and approval of building exteriors.

5. Innovation, energy efficient and storm-resistant building materials (up to 10 points): Applicants must describe what form of construction they intend to utilize (stick-build, panelized, or modular) and the expected energy efficiency and storm-resistance level of these construction types. Materials and construction types that impede mold formation, prevent termites, resist projectile impacts, include high levels of insulation and promote energy efficiency will be preferred. Construction techniques that avoid waste and reduce impacts on neighbors will also be preferred. NORA will also prefer project that utilize materials that are manufactured or sourced in New Orleans. Applicants should also include innovative financing, property construction or management structures, or alternative methods of creating vibrant communities.
6. Commitment to Neighborhood Participation and the community planning process, (up to 10 points): It is vital that the proposed development should nurture and promote the vision established by the neighborhood. Tremendous work has been placed into these plans and it is vital that these local neighborhood groups continue to participate in the process. Potential applicants should demonstrate how they intend to work with the ICNA and other neighborhood groups to ensure that their products support the communities' goals.
7. Disposition Approach (up to 10 points): All developers must describe their disposition strategy and how they will create home-ownership opportunities. For affordable units, respondents should indicate whether they will use any of the following strategies: rent-to-own, limited equity co-ops, credit repair and soft-second. Developers should also indicate how they intend to draw displaced residents of the Irish Channel and New Orleans as a whole. The Neighborhood also intends to give preference to residents interested in relocating from high flood risk areas as defined in the city's adopted recovery plan.
8. Diversity and Capacity Building (up to 10 points): It is important that applicants demonstrate a commitment to incorporate minority and women participation, as well as small and local businesses and individuals, in these projects, including but not limited to ownership,

financing, design, construction and management. Applicants must include their proposed labor model and describe whether licensed subcontractors will be used during construction. Applicants that incorporate workforce training will be preferred, as will applicants that create opportunities for student participation as part of the Recovery School District's job creation efforts.

AFFORDABILITY REQUIREMENT: All the units in Category B must be utilized for affordable homeownership to families making less than 80% of AMI. At least three properties in Category A must be made available for homeownership to families making between 80-120% of AMI.

3. Evaluation Process

All proposals submitted in response to this RFP will be reviewed for their relative strengths and weaknesses based on the submission requirements described herein. Selections will be based on the completeness and quality of responses to this solicitation. Bidders must provide accurate contact information and attest to the veracity of the information supplied. At its discretion, NORA staff may contact references and industry sources, investigate previous projects and current commitments, interview some or all of the proposed development team members, and take any other information into account in its evaluation of the responses. NORA reserves the right to request clarification or additional information and to request that proposed developers make presentations to the NORA Board of Commissioners, community groups or others.

Based on NORA's evaluation, bidders will be deemed highly qualified, qualified and not qualified. NORA reserves the right to prefer highly qualified submissions to qualified submissions and to not accept bids from unqualified entities. All evaluations shall be made according to the criteria set forth above and will be made according to NORA's business judgment. All decisions regarding prequalification for this specific program are final as to this particular property disposition program.

4. Estimated Bid Price for Available Properties

All interested participants should indicate what price they intend to offer for the properties they are interested in bidding on. After NORA identifies the final list of properties it shall request final and highest bids from interested and qualified participants. The amount of compensation the developer proposes to pay for the properties shall be evaluated in conjunction with the other factors described above.

5. Act of Sale and Disposition Agreement

Once the winning bidders are determined, NORA shall enter into act of sale and disposition agreement regarding these lots based on the standard NORA form. These agreements shall ensure that the properties are developed in a suitable and timely manner, and provide for NORA's recapture rights in the

event that properties are not developed in such a manner. Among other matters, these Disposition Agreements shall ensure that the properties are affordable and comply with the submission requirements contained in the RFQ.

6. Publication and Promotion

This RFQ shall be posted on the NORA website, www.noraworks.org, advertised in the Times-Picayune and will be available upon request. All winning bidders agree to participate in any reasonable promotional activity and to prominently display NORA signage on the site of redevelopment. Such signage must be at least as large as standard real estate "For Sale" sign and shall be provided by NORA. All winning bidders also agree to participate in community meetings scheduled by NORA and to make information about their plans available to the community.

7. NORA Cooperation

To the extent feasible, NORA will support winning bidders in their effort to secure additional funding, public and private incentives and permits, licenses, approvals or variances. NORA will also assist developers in identifying prospective tenants and homeowners, who will ideally be drawn from the pool of residents displaced from New Orleans and particularly the relevant neighborhood in which the properties are being redeveloped.

8. Future Endeavors

This program is intended to be among the many property dispositions that NORA will conduct. Developer's ability to complete projects pursuant to the conditions contained in this document (and similar future programs) and the applicable Disposition Agreements shall be considered when evaluating applications for future initiatives.

It is NORA's intention that the materials submitted herein shall allow a bidder to be deemed pre-qualified for future projects conducted in a similar manner, subject to necessary updates regarding any financial aspects and specific requirements contained in future projects.

9. Format of Submissions and Deadlines

Development Team(s) should submit 3 copies of all materials, bound, and in 8-1/2 by 11 format. All materials should be properly identified, marked with "RFQ, Irish Channel." Boilerplate, glossy and unnecessarily elaborate proposals are neither expected nor desired. The emphasis of the proposal should be on responding to the requirements set forth in this document. All proposals shall be typewritten.

Submission of proposals by email or facsimile is not acceptable. Proposals must be received by NORA no later than 4:00 PM on May 12, 2008 at NORA, 1340 Poydras Street, Suite 600, New Orleans, Louisiana, 70112. It is the sole responsibility of the applicant submitting the proposal to assure it is delivered on time. Delays due to internal routing of misdirected

proposals or due to verbal directions given by NORA staff shall be the responsibility of the applicant.

10. Additional Requirements

NORA reserves the right to add any and all requirements that are needed to effectuate the goals of this program or comply with legal requirements. NORA reserves the right to amend the instructions, requirements, general and special conditions, scope of work, and specifications of this RFQ up to the time set for the auction. Copies of such amendments shall be furnished to all prospective bidders who have submitted prequalification materials and shall also be posted to NORA's website. Where such amendments require significant changes in the scope of the program, the date set for proposals may be postponed by such number of days as in the opinion of NORA shall enable prospective bidders to revise their proposals.

11. Conflict of Interest

All bidders agree to disclose any, direct or indirect, current or future, conflict of interest between themselves and NORA, and the employees of said entity.

12. Proposed Schedule

Issuance of RFP	April 11, 2008
Proposals due	May 12, 2008 at 4:00PM
Evaluation of Proposals	May 12-15, 2008
Final Bids due	May 16, 2008
Official Selection of Development Team(s)	May 18, 2008

This schedule is subject to change, and all respondents will be provided the earliest possible notice of changes.

EXHIBIT A –**Irish Channel: ~~if ICNA wants please insert history of neighborhood~~** |

NORA is seeking proposals from developers, both for-profits and non-profits, interested in redevelopment activities in the area bounded by Magazine Street, Jackson Avenue, Tchoupitoulas Street, and Louisiana Avenue, and commonly known as the Irish Channel (specific properties are described further in Exhibit A). The neighborhood has deep historic roots and is located only a stone's throw away from New Orleans' central business district. It has been in the midst of significant residential investment in the last 10 years and is supported by the strong Irish Channel Neighborhood Association ("ICNA") (A brief history of demographic change in the neighborhood is available at <http://www.gnocdc.org/articles/IrishChannel.html>).

EXHIBIT B – Specific Property Information

Background

All properties are located in primarily residential areas and all winning bidders must agree to build solely residential structures, unless given explicit permission otherwise by NORA or required to do so by New Orleans zoning regulations. NORA has not surveyed the properties or assessed them with regards to zoning standards. All properties are sold “As Is,” and without any warranties as to, *inter alia*, their suitability for future development, environmental condition, or availability of utilities or other infrastructure. Developers will be expected to comply with all applicable laws, including City Ordinances. In order to comply with intentions of the Lot Next Door Program, NORA may have to remove certain properties from the tentative list of properties. Any changes to the tentative list of properties will be sent to all applicants who submit prequalification materials. Those changes will also be posted on the website.

Category A – Tentative – Expected minimum bid - \$215,000 for 7 properties including legal fees

- 2848 Chippewa,
- 2926 Chippewa,
- 3124 Chippewa,
- 612 8th,
- 619 6th,
- 634 8th,
- 924 3rd

Category B – Tentative – Expected min bid 25000-40000 TBD fees

- 411 Toledano,
- 617 7th,
- 2421 St. Thomas – Vacant

Category C – Individual Purchase/LND - minimum bid including legal fees

- 608 4th St - \$ 4,600 - vacant
- 2833 Livaudais - \$ 17,000
- 700 4th - \$ 32,000
- 500-506 Jackson - \$ 8,100