

Form Name: 6909 Ryan Drive RFQ
Submission Time: March 20, 2024 5:49 pm
Browser: Chrome 122.0.0.0 / Windows
IP Address: 99.125.227.225
Unique ID: 1206814364

Description Area

Request For Qualifications 6909 Ryan DriveAffordable Rental Housing Development OpportunitySubmissions Due: 11:59 p.m. CS----T on March 20th, 2024Please fill out this form to submit a response to the RFQ for 6909 Ryan Drive.You can find the RFQ here.Note: This application has a "save and resume later" option that saves all information you have entered - except for document uploads - until you are ready to submit a completed form. Be sure to click the "Save and Resume Later" button at the bottom to use this feature, and to upload all attachments prior to submitting. If you have any questions about this application, please contact Sarah Ramos or Alex Radtke.

Exhibit A: RFQ Response Form, Affidavits, and Certifications

Development Team Questions - 35 points

Description Area

The following questions provide AHFC with initial qualifying information regarding a respondent's experience with and approach to multi-family and mixed use developments.

Description Area

1. Please provide the company name, point of contact name, and point of contact email for each of the following members of your proposed development team for this development. Unscored

Developer Name

Jonathan Gary

Developer Company

Carleton Companies

Developer Email

jgary@carletoncompanies.com

Architect Name

Jaron Daily

Architect Company

HEDK Architects

Architect Email

jdaily@hedk.com

Engineer Name

Allison Lehman

Engineer Company

Kimley-Horn

Engineer Email

Allison.Lehman@kimley-horn.com

Property Manager Name

Tasha Krawiec

Property Manager Company

Carleton Management Services

2. Please describe why your development team is best suited to develop the site.

Carleton Companies was founded in 1991 by Printice Gary as a Texas-owned and operated firm. Carleton is one of the most prominent African-American owned multifamily developers in the United States and a premier developer of both affordable and market-rate housing in the Southwest. For 6909 Ryan Drive, Carleton brings together a team of experienced professionals with substantial experience in planning, financing, constructing, and managing affordable/mixed income development projects.

Carleton Companies is the overall umbrella organization and is comprised of four specialized divisions: Carleton Development, Ltd. (Development), Treymore Construction (General Contractor), Carleton Management Services (Asset Management and Property Management), and Salt River Capital (Financing). 6909 Ryan Drive will be spearheaded by Carleton Development in collaboration with Treymore Construction, Carleton Management Services, and Salt River Capital to ensure a comprehensive approach to development. Integral to the project's success are other key partners including the Bank of America Community Development Company (Equity Partner), Kimley-Horn (Civil Engineer), HEDK Architects (Architect), and Adisa Communications (Community Engagement). Each partner brings a proven track record in developing mixed-use and mixed-income projects that align with Carleton's vision for the project.

The Carleton team will develop 6909 Ryan Drive into a vibrant residential community meeting AHFC's goals: mixed-income housing with required affordability levels, land retention by AHFC, pedestrian-friendly amenities with transit connectivity, and ample community greenspace. Carleton's current experience building affordable housing in Austin is through a public-private partnership with the Housing Authority of the City of Austin (HACA) and makes it uniquely qualified to deliver an exceptional product for AHFC.

3. How many multi-family developments has the developer or co-developer who will act as guarantor for this development placed in service within the last ten years? Provide a list of developments with the following: a) Name; b) Address; c) Number of units; d) Date of last Certificate of Occupancy; e) Affordability Restrictions (if any)

4. Please describe your development team's experience with designing, financing, developing, and operating mixed-use developments.

Since 1991, Carleton has developed, financed, constructed, and/or owned over 24,000 multi-family housing units, including over 10,000 affordable units. Carleton has developed over 4,000 units on behalf of 7 public housing authorities. The team has used most forms of multifamily financing and has extensive experience working with government and neighborhood groups to create market-rate, affordable, and public housing developments. Carleton has served as an affordable housing development consultant and/or contract developer for the San Antonio, St. Louis, Fort Worth, Dallas, Denton, Beaumont, and Texarkana, Texas Housing Authorities.

One example of a mixed-use development built by Carleton is a 373 unit mixed-use project known as Frisco Summit. Frisco Summit (now Summit at Stonebriar), was built in Frisco, Texas, a rapidly expanding region in north Texas. The Class-A development features a 4 story wrap with a full-service coffee shop and restaurant on the ground level. The coffee shop caters to both residents and the local workforce, enhancing the convenience and quality of living in the immediate area.

5. Please describe your anticipated financing strategy for this project.

Carleton has decades of experience in affordable housing and has secured Bank of America Community Development Company (BACDC) as an equity capital provider for the project. BACDC and Carleton have worked together as partners in the past across 4 multifamily transactions to produce 1,273 units in the Texas Market.

Through Bank of America's wholly owned Subsidiary, Bank of America Community Development Company, LLC ("BACDC"), the Bank provides traditional co-investment private equity with the intent of creating and preserving rental housing affordably to support local communities. BACDC provides the majority of equity required in these projects, and generally maintains an investment term from 3 to 10 years, depending on the project's longer term financing strategy as it relates to longer-term affordability. Since 2019 BACDC has committed over \$317 million of equity to develop and preserve mix-income workforce housing nationally. These investments include 6 projects located in the State of Texas representing 1,668 units with BACDC's investments exceeding \$65 million.

For the debt component of the financing strategy, Carleton anticipates sourcing either (1) a construction loan combined with a mini-perm option from a commercial bank, or (2) a loan from one of the federal agencies, most likely a 221(D)4 HUD execution. The team may also consider using bond financing if available.

6. Provide a copy of the most recent certified financial audit or disclosures (completed within the last two years) from the developer who will act as guarantor for this development.

Example Developments - 40 Points

Description Area	7. Provide a detailed summary of two of the developer's or co-developer's most innovative and successful developments placed in service within the last seven years. 40 Points
Project Description (Project 1)	<p>Pathways at Chalmers Courts East was redeveloped and completed by Carleton Companies and the Housing Authority City of Austin (HACA) in 2022. HACA owned the land and Carleton Development, alongside its subsidiary Treymore Construction, redeveloped the site into 156 units utilizing 4% Low Income Housing Tax Credits.</p> <p>In 1937, President Roosevelt enacted the US Housing Act, establishing the US Housing Authority (USHA) with an initial subsidy of \$500M. This funding was aimed at empowering local public housing agencies to enhance living conditions for low-income families. The Housing Authority City of Austin (HACA) was founded and became the inaugural recipient of USHA funding, enabling them to build several public housing projects such as Chalmers East. Originally consisting of 86 units, Chalmers East expanded to 156 units. Carleton spearheaded the redevelopment which ultimately enhanced unit capacity and rejuvenated the affordable living community in East Austin.</p>
Placed-in-service Date (Project 1)	Jun 01, 2022
Address (Project 1)	1700 E 3rd St, Austin, TX 78702
Type of development (e.g., single family, detached condo, attached condo, multifamily condo) (Project 1)	Multifamily
Income restrictions (Number of Units at or below 30% MFI, Number of Units at or below 50% MFI, Number of Units at or below 60% MFI, Number of units at or below 80% MFI, Number of units at or below 120% MFI, Number of unrestricted units) (Project 1)	30% AMI – 14 units 50% AMI – 54 units 60% AMI – 67 units Unrestricted/Market Rate – 21 units
Number of Units by Bedroom Count (Number of efficiencies, Number of 1 bedrooms, Number of 2 bedrooms, Number of 3 bedrooms, Number of 4+ bedrooms) (Project 1)	1bed – 78 units 2bed – 53 units 3bed – 17 units 4bed – 8 units
Target population (Project 1)	Financed through low-income housing tax credits, this project targets families with children, veterans, individuals with mobility, visual, or auditory disabilities, teachers, firefighters, and other public servants.

Partnership structure, including specifying if this was a public/private partnership (Project 1)

This was a public/private partnership between Carleton Companies (private developer) and the Housing Authority City of Austin (HACA), a public agency that offers affordable housing and support services to Austin residents. HACA, the General Partner, owns the land and leases it to the Limited Partners. Carleton Development is the fee developer who took on the guarantee responsibility for the project until completion.

Primary funding strategy and sources (Project 1)

The National Equity Fund was the tax credit equity investor for the transaction together with HUD 221 (D)4 financing for the debt. Carleton used the National Equity Fund as the tax credit investor based on Carleton's long standing relationship with this financing partner.

HACA, via its legal entity Austin Affordable Housing Corporation (AAHC), provided a local government loan to the project, adding additional subsidy financing necessary for full funding. Carleton successfully financed the project thanks to strong relationships with its equity partner, National Equity Fund, and its general partner, HACA.

Current occupancy rate (Project 1)

98% occupied

What were the design considerations for this project and how did they impact the project? (Project 1)

The goal was to transform the initial design, characterized by multiple bungalows with concrete walls, small windows and no central air, into a higher density modern living spaces. The redesigned apartments included these improved features all while increasing density. Additionally, the updated design features a variety of communal amenities such as a playground, basketball court, and adaptable outdoor space for social gatherings, all of which contribute to fostering a lively community atmosphere.

Prioritizing inclusivity, the updated design adheres to ADA standards, dedicating specific units to residents with hearing, vision, and mobility impairments. All units in the 4 story development have access to stairways and elevators. The redevelopment also integrated a CommUnity Center (CUC) which repurposed several of the original 1939 bungalows, preserving the historical significance of the site.

Finally, the main building where the leasing office is located, contains a communal area designed to host organizations such as the Boys and Girls Club, a critical after school child care service available to working parents. This upgraded design represents a blend of modern living, community service, and historical preservation, setting a new standard for modern affordable housing in Austin, TX.

How the project shifted from initial underwriting/approvals through closing, construction, and conversion (Project 1)

The underwriting and approvals were completed just prior to the COVID-19 pandemic. After a successful closing, the construction phase faced challenges as the team had to shift to remote work, leading to increased construction and operating costs. The team addressed these challenges through constant communication with all partners and by relying on conservative proforma assumptions that accounted for potential cost increases. The project successfully achieved conversion in June 2022.

Describe your community engagement efforts during pre-development, construction, and operation (Project 1)

There were extensive community engagement efforts throughout the pre-development, construction, and operation stages of Chalmers East spearheaded by Carleton and the Housing Authority of the City of Austin (HACA).

During pre-development, Carleton and HACA held regular in-person meetings with both existing residents and neighboring communities to ensure transparency and alignment of expectations. The primary concerns addressed were the relocation of residents during redevelopment and assuring the resident's ability to return post-development.

During the construction phase, Treymore Construction maintained open lines of communication with the community, proactively addressing any inconveniences especially regarding necessary street closures. Their advanced notifications directly to residents and in construction meetings were crucial towards minimizing disruptions throughout the densely populated area of East Austin.

In the operational phase, Carleton Management Services focused on resident satisfaction, ensuring compliance with affordable housing criteria, facilitating access to community amenities, and maintaining the property's condition. These efforts are aligned with HACA's objective to maintain full occupancy and effective management.

Please attach underwriting pro forma for the development, as approved by either the state housing finance agency, the lender, or the equity investor (Project 1)

Project Description (Project 2)

The Prospect, a mixed-income property located in Austin, TX, was successfully developed and completed in November 2023 with direct equity financing from Carleton Company's partner, the Bank of America Community Development Corporation. This strategic partnership aligned with Bank of America's commitment to financing projects that offer affordable workforce housing in the Austin area.

The Prospect has 255 multifamily units catering to residents earning between 60% and 120% of AMI. It's a 5-story structure with amenities comparable to those in Class-A developments including a covered parking garage, swimming pool, gym, and live-work units. This development was made financially feasible through a collaborative partnership with the Travis County Housing Financing Corporation, allowing the project to benefit from a property tax exemption and underscoring a successful model for developing mixed-income housing that does not compromise on quality or amenities.

Placed-in-service Date (Project 2)

Nov 01, 2023

Address (Project 2)

122 Sheraton Ave, Austin, TX 78745

Type of development (e.g., single family, detached condo, attached condo, multifamily condo) (Project 2)

Multifamily

Income restrictions (Number of Units at or below 30% MFI, Number of Units at or below 50% MFI, Number of Units at or below 60% MFI, Number of units at or below 80% MFI, Number of units at or below 120% MFI, Number of unrestricted units) (Project 2)

60% AMI – 26 units
80% AMI – 89 units
90% AMI – 38 units
120% AMI – 77 units
Unrestricted/Market Rate – 25 units

Number of Units by Bedroom Count (Number of efficiencies, Number of 1 bedrooms, Number of 2 bedrooms, Number of 3 bedrooms, Number of 4+ bedrooms) (Project 2)

Studio – 50 units
1bed – 161 units
2bed – 44 units

Target population (Project 2)

Families with children, teachers, firefighters, and other public servants.

Partnership structure, including specifying if this was a public/private partnership (Project 2)

This project was structured as a public/private partnership through a Public Finance Corporation (PFC), with the Travis County Housing Financing Corporation serving as the PFC partner. This arrangement made the project exempt from property taxes, enhancing the economic viability of the development.

Primary funding strategy and sources (Project 2)	The project was funded through a conventional debt and equity structure, with Bank of America CDC being the principal equity contributor. This was complemented with a standard commercial loan which allowed the project to be fully financed.
Current occupancy rate (Project 2)	68.2% occupied (in lease-up)
What were the design considerations for this project and how did they impact the project? (Project 2)	<p>The development of Prospect was guided by three principal design considerations:</p> <p>The team first addressed compatibility restrictions; the easternmost section of the property was planned as a three-story structure to adhere to the City of Austin's compatibility mandates.</p> <p>Second, the team's approach to building orientation was deliberate; residential units were strategically positioned facing all three public streets, thereby minimizing the visual impact of the garage on the surrounding community.</p> <p>Finally, the commercial space along South Congress Avenue was designed to include live-work units, a decision that not only meets the City of Austin's design standards but also enhances the vibrancy and utility of the area. This holistic approach underscores the project's commitment to thoughtful, community-oriented development.</p>
How the project shifted from initial underwriting/approvals through closing, construction, and conversion (Project 2)	The underwriting and approvals process for this project was navigated successfully amid the COVID-19 pandemic. Common challenges included extended lead times for materials and price inflation, faced by many multifamily projects during this time. The project maintained momentum and concluded construction in November 2023. As a Public Finance Corporation (PFC) structured development, it bypassed the conventional conversion process typical in low income housing tax credit projects, streamlining its completion.
Describe your community engagement efforts during pre-development, construction, and operation (Project 2)	Prior to initiating development, the property underwent rezoning to accommodate multi-family use. During this phase, the development team engaged with neighborhood stakeholders through multiple meetings to outline project plans and gather insights into the community's primary concerns. Key issues raised included traffic impact, project lighting, the orientation of the garage façade, and the overall height of the development. These concerns were thoroughly discussed and addressed to the greatest extent feasible throughout the planning, design, and construction stages, reflecting the team's commitment to responsive and responsible development practices.

Please attach underwriting pro forma for the development, as approved by either the state housing finance agency, the lender, or the equity investor (Project 2)

Community Review Questions - 20 Points

8. Please describe your development team's construction management practices that will be used as part of this development to act as a good neighbor to the adjacent property owners.

Treymore Construction, the general contractor within Carleton Companies, has built a variety of multifamily developments ranging from standard garden-style to podium. Treymore will oversee the construction at 6909 Ryan Drive utilizing its expertise and operational capacity within the Central Texas Region. Treymore is currently engaged in various construction projects in the Austin area and is well-prepared for future undertakings.

Given its proximity next to a residential neighborhood, the project is anticipated to generate typical construction-related disturbances. Drawing on its existing construction experience at the Pathways at Rosewood Courts affordable housing development in East Austin, Treymore plans to employ a proactive community engagement strategy. This approach includes advanced, direct communication with local residents regarding pending construction activities, detour options to navigate street closures effectively, and a heightened focus on safety protocols for both workers and local pedestrians. Through these measures, Treymore is committed to mitigating the impact on the neighboring community, ensuring compliance with municipal standards, and facilitating the seamless progression of 6909 Ryan Drive with minimal local disruption.

9. Please describe your proposed property management company for this development and why they are best suited to operate and maintain the property.

Carleton Companies is a full-service real estate company with extensive experience in property management and asset management. The Asset Management group works hand-in-hand with Property Management to ensure the long-term success and profitability of Carleton's multifamily properties.

Asset Management focuses on the financial and strategic aspects of property ownership, with the goal of maximizing the property's value and return on investment. This includes engaging during the planning and design phase, overseeing lease-up, stabilization, budgeting, rent growth, value enhancement, reporting, repositioning, and compliance. Our Asset Management team has a proven track record of success in these areas, having overseen thousands of multifamily apartment homes throughout Texas.

Property Management handles day-to-day operations on site including leasing, maintenance, resident relations, and on-site staff management. The team has expertise in managing a wide range of property types and programs, including conventional market-rate, workforce, and affordable housing.

Collaboration between Asset Management and Property Management divisions ensures that properties are not only well-maintained and efficiently operated, but also positioned for long-term financial cashflows. The Asset Management team works closely with on-site management from day one, providing guidance and support in areas such as marketing, leasing, budgeting, and compliance. This holistic approach allows us to drive revenue growth, control costs, and enhance the value of the properties we manage.

Carleton currently manages 2,870 multifamily units in Texas, 518 of which are in Austin. The team has the flexibility and capacity to take on additional units in the Austin area and are well suited to manage the property at 6909 Ryan Drive.

10. Please describe how your development team will develop and operate the proposed development in a way that advances racial equity within the community and your organizations.

As a matter of policy, Carleton Companies uses its best efforts to engage qualified minority-owned firms as service providers in its developments. Treymore Construction targets 30% as its goal for minority-owned sub-contractors and requires its sub-contractors to use its best efforts to achieve a 30% inclusion factor as well.

Carleton Companies, a minority owned firm, will engage Adisa Communications to develop community engagement for 6909 Ryan Drive to advance and maintain racial equity within the community. Carleton is excited to work with related parties to enrich this area of Central Austin. Since 1995, Adisa Communications has served public, private, and non-profit clients in Texas and globally. Current and former clients include numerous governmental entities and community organizations such as the Austin Independent School District, Travis County, the State of Texas, and the Housing Authority of the City of Austin.

In 2021, the Housing Authority of the City of Austin (HACA) in conjunction with Carleton hired Adisa Communications to conduct community meetings and host workshops for residents to provide input on the Pathways at Rosewood Courts Master Plan and the proposed Visitor's Center and Community Green Space elements (see below picture). Adisa's team helped low-income residents of various racial groups, community stakeholders, neighborhood organizations, and community leaders engage to meet the local and federal requirements. Rosewood is one of the oldest affordable housing projects in the United States that was originally built primarily for African American residents.

Adisa's community engagement approach includes collaboration with the development team and community stakeholders to ensure neighborhood interests are addressed. Adisa leverages public meetings to address 1) Imagination/Vision 2) What's possible on the site 3) Final Concept and Development Plan.

Adisa will engage neighborhood, community and stakeholder groups to educate and solicit input with the intent of promoting racial equality. A working group of leaders will provide insights throughout the process. With Carleton, Adisa will create communication and input tools: surveys, website updates, email updates, flyers, fact sheets, FAQs, displays, mailers, videos. Social media and grassroots outreach will promote input opportunities. A comprehensive stakeholder database will allow tailored outreach.

11. Please describe how your development team will form and leverage relationships with neighborhood groups, organizations, and business to help support a vibrant and enriching neighborhood.

Adisa's team is committed to providing assistance to residents from low-income backgrounds, representing a variety of racial groups. In collaboration with community stakeholders, neighborhood organizations, and community leaders, the team aims to foster an inclusive neighborhood experience.

Adisa will provide ongoing updates and work with the community to plan milestone events like groundbreaking and grand opening ceremonies. They will focus on engaging hard-to-reach and Limited English Proficient (LEP) communities through translated materials and interpretation.

Members of the community will have specific roles in the process. The community's lived experience makes them experts to inform decisions on unit types, historical/cultural amplification, community uses for open spaces, and other choices. Their role is to:

1. Inform values expressed in the project design
2. Share input on materials, building design, public art, naming, uses for public spaces
3. Help educate others not actively participating
4. Provide written feedback in-person and online

Through active engagement with various members of the local community, Carleton and Adisa will support nearby businesses by informing them of the new, affordable housing development at 6909 Ryan Drive. This initiative not only offers employees of these businesses an opportunity for more affordable living options but also invites businesses to contribute insights that will enhance the residential experience. It is crucial to communicate these developments to local businesses to ensure their employees can take advantage of this opportunity and to gather valuable feedback on how to positively impact the lives of residents.
