

ADDENDUM NO. 1

DATE: December 9, 2019

TO: All Potential Proposers

FROM: Penny Owens, Assistant Purchasing Agent, City of Knoxville

SUBJECT: Addendum No. 1 to the RFP for Funding for Improvements to Historic Buildings

PROPOSALS TO BE OPENED: December 20, 2019 at 11:00:00 a.m. (Eastern Time)

This addendum is being published to respond to question asked by potential proposers about the above referenced RFP and to post the sign-in sheet from the pre-proposal meeting. This addendum becomes a part of the contract documents and modifies the original specifications as follows:

Question #1: Which set of City codes will apply to these projects?

Response: As the contracts will be awarded in calendar year 2020, the City codes revised under Recode will be the applicable code.

Question #2: What is required from our bank to prove financial capability?

Response: No. A letter of commitment from the bank will suffice.

Question #3: Are costs outside of the normal hard construction costs, such as consulting fees, architectural and engineering fees, surveys, etc. – eligible for the award?

Response: As the projects are required to be “shovel-ready,” such additional costs would not be eligible for award.

Question #4: Within the RFP on page 22, Submission Form S-1, there are lines for a “Contact Person” and the “Name of Attendee at Mandatory Pre-Proposal.” I presume it’s permissible that those are two different names, but the Signature on this page is that of the Contact Person?

Response: It is permissible that these are two different names. The signature should be the Contact Person and someone who has the authority to obligate your entity.

Question #5: If the loan for an HOA must be applied to common areas of the building, such as a roof, exterior masonry, or front facade, yet these portions are owned jointly by all HOA owners, can a single

HOA owner make the application on behalf of the HOA, so long as the improvements are exclusive to common areas? Or must the HOA entity be the owner of a portion of the building?

Response: This seems like it speaks to their individual articles of organization. Most of the condominium buildings that we're familiar with have common areas that are owned commonly and maintained through fees from the individual owners. We really are looking for documentation that 1) they have the legal right to encumber the common areas for this purpose, and 2) they submit proof that this application is approved by whatever controlling interest (majority of owners or simply board approval) is necessary per their bylaws.

Question #6: What if a single owner has majority or controlling shares of the HOA, and this owner receives documented approval from 100% of HOA owners to submit on behalf of the HOA, expressly for common area improvements? Can the proposal come from this owner?

Response: This proposal seems like it would meet the requirements of the program, as long as they are in line with their organizational bylaws.

Question #7: If no portion of the building is owned expressly by the HOA, but rather all parcels are deeded to individual owners, does that categorically exclude this building's project(s) from being eligible for these funds?

Response: If you are describing a cooperative where tenants own shares of a corporation, it is possible that this could be approved, but they would need to submit proof that their bylaws allow this encumbrance, and that all of (or a majority) of the deeded tenants approve the work and associated debt.

Question #6: Can we view previous, successful proposals?

Response: Yes. Please find attached four previously submitted successful proposals for examples.

END OF ADDENDUM 1